

MASTER SERVICES AGREEMENT

Contract #0000000000000000000029869

This Master Services Agreement (“Contract”), entered into by and between the State of Indiana through the Indiana Department of Administration (the “State”) and W W GRAINGER, INC (the “Contractor”), is executed pursuant to the terms and conditions set forth herein. In consideration of those mutual undertakings and covenants, the parties agree as follows:

1. Duties of the Contractor

The Indiana Department of Administration on behalf of All State Entities (the “State”) is establishing a quantity purchase agreement (QPA) for Maintenance, Repair, and Operations (MRO) Products including General Industrial products, Lighting & Electrical Supplies, Plumbing Supplies, and Safety Supplies. The Contractor shall provide these services and commodities necessary to the State as set forth in RFP #18-038, the Contractor’s response, and clarifications, attached hereto in specific exhibits and made a part of this Contract herein by reference. The following contract exhibits are hereby included in this Contract and incorporated herein by reference as follows:

- Exhibit A** = State of Indiana Market Basket Pricing
- Exhibit B** = Non-Market Basket Discount Pricing
- Exhibit C** = Service Level Agreements and Key Performance Indicator
- Exhibit D** = Performance Metrics
- Exhibit E** = RFP #18-038 Documentation
- Exhibit F** = Sub-Agreement – Vending Use Agreement
- Exhibit G** = Grainger MRO & Related Services Catalog

The duties of the Contractor are set forth, attached hereto, and fully incorporated herein:

A. Entities Eligible to Utilize Contract

1. State Agency
As defined in IC 4-13-1, “state agency” means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government.
2. K-12Indiana
The Contractor shall extend the pricing and services under this Contract to all K-12 entities and work with Educational Service Centers (ESC) to provide access and the means to make purchases through the K-12Indiana purchasing portal which can be accessed at K12Indiana.com.
3. LibraryIndiana
The Contractor shall extend the pricing and services under this Contract to all Indiana Libraries and work with the State to provide access and the means to make purchases through the LibraryIndiana purchasing portal which can be accessed at LibraryIndiana.com.
4. Extension to Other Governmental Entities/OneIndiana
The Contractor shall extend the pricing and services under this Contract to all other governmental entities within the State of Indiana (“Governmental Entities”). Other Governmental Entities are defined as: An agency, board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: (1) The judicial branch (2) The legislative branch (3) A political subdivision (includes towns, cities, local governments, etc.) (4) A State educational institution.

5. Unless otherwise specified within this Contract, the term "Ordering Agency" shall refer to entities/procurement initiatives 1 -4 as set forth in Section A, Entities Eligible to Utilize Contract. Ordering and/or usage instructions exclusive to State Agencies or Governmental Entities shall be identified within each article.

B. Restricted Items

The Contractor shall not supply any items that are restricted and/or part of existing State of Indiana QPAs or "state use" contracts unless authorized in writing by the State's Vendor Contract Manager. Restricted categories include but are not limited to: furniture, computer hardware and peripherals, computer software, telephone and telephone accessories, food and beverages, and office machine equipment.

Additionally, within certain MRO subcategories, preference will be shown to already established, item-specific QPAs first, at the discretion of the State's Vendor Contract Manager. These categories include but are not limited to: trash liners, work gloves, brooms/brushes/mops, traffic cones, plastic cutlery, fire extinguishers, clothing, shoes, AEDs, paint/paint supplies, safety vests, and disposable gloves.

C. Contract Implementation

The Contractor shall meet with the State and form an Implementation Plan timeline for the overall Contract Deployment. The Contractor shall customize the program to fit the State's needs and desires for a successful program by participating in a minimum of one meeting per week during the implementation process.

1. Implementation Process

The Contractor shall complete the Implementation project in the following phases, and the Contractor shall provide a draft and final copy of the Project Management Plan to the State's Vendor Contract Manager:

a) Initiation

The Contractor shall ensure the needs of the State are adequately defined, by engaging with the State in High-level discussions on phase deliverables during Project Initiation and identify priorities that need to be completed through the implementation for a smooth transition. Additionally, the high-level barriers, potential problems, and roles and responsibilities of the project shall be summarized at this time.

b) Planning

The Contractor shall establish business and punch-out requirements and schedule of the project (including a list of deliverables and delivery dates). The Planning Phase shall involve identifying and documenting the project scope, tasks, schedules, risk, quality, and staffing needs. This identification process continues until all possible areas of the chartered project have been addressed.

c) Execution and Control

The Contractor's implementation team shall carry out the project and perform project activities. The Contractor shall include Internal Quality Assurance (QA) testing on the punch-out in this phase. Once the internal QA requirement for functionality and operability have been satisfied, the Contractor shall offer the project to the State for testing. This process shall continue until the State is satisfied that the application meets the Contractor's contractual obligations, as well as the specifications defined in the Project Management Plan.

d) Closing

The implementation team shall remain in place at least 30 days after the roll out date, at the discretion of the State's Vendor Contract Manager. The team shall continue to meet regularly to discuss: program success, improvement opportunities, end-user feedback, usage data, product changes, Contractor performance, future goals and objectives. The Contractor shall perform Project Closeout once all defined project objectives have been met and the State has accepted the final implementation of the Contract.

2. Implementation – Personnel

The Contractor shall provide a team of qualified experts to assist in the implementation effort. The Contractor's team shall be led by an appointed Implementation Manager (Contract Enablement Manager) who shall be responsible for the overall management of the implementation process.

3. Implementation – Communication Tools

a) Implementation Schedule

The Contractor shall provide an implementation project schedule as a document that highlights the tasks required to implement the State's solution. It shall identify respective responsibilities and completion dates for each task. The schedule shall allow the State and Contractor to monitor the entire process and address related issues. The schedule shall be an active document and shall be updated frequently to reflect changing circumstances and implementation progress.

b) Implementation Team Meetings

The Contractor shall schedule with the State weekly implementation team meetings. The Contractor shall prepare Meeting Agendas, shall facilitate the Team meetings, and shall provide Meeting Minutes after conclusion of the Team Meeting by the next business day.

c) Implementation Status Reports

The Contractor shall provide status reports to the State throughout the project's implementation.

4. Training

a) Implementation Training

At no additional cost to the State, the Contractor shall work with the State and Ordering Agencies to provide users an opportunity through a Kick-off event to learn about the program for best outcome of program usage. The Contractor may host other implementation and product shows around the State as well as additional vendor seminars and training at the direction of the State. As part of the Contractor's duty to provide training at the direction of the State, the Contractor may be required to host training sessions via internet. The Contractor shall use reasonable best efforts to provide training as necessary to facilitate the goals of this Contract.

b) Post-Implementation Training

The Contractor shall continue to provide user training as needed after implementation pursuant to the training requirements of this Contract.

c) User Guides

The Contractor shall provide Roll-out Packets or User Guides to Ordering Agencies on how to best use the Contract and Punch-Out tool.

The Contractor shall provide the User Guide documentation to the State Vendor Contract Manager for approval prior to release.

D. Account Management and Customer Service

1. Account Management Structure

The Contractor's Dedicated Account Management Team shall include (but is not limited to) a Dedicated Account Manager and Customer Service Team. This team shall remain in place throughout the full contract term. The Contractor shall notify the State within 48 hours of notification of any staffing changes from proposed staffing as listed below. The State shall be provided the opportunity to approve or deny any new proposed personnel. The Contractor shall have a back-up plan in place at all times for all Account Management-related personnel and services. The Contractor shall communicate and maintain an up-to-date back-up plan for all Account Management Team members.

- a) Regional Sales Vice President, Govt. North
 - a. Highest authority for all aspects of Contractor's Government customers within their particular region.
- b) Director, Government Accounts
 - a. Manages Government Sales Managers aligned to their region.
- c) District Sales Manager
 - a. Responsible for managing the Government-dedicated front line sales force.
- d) Sr. Government Sales Manager (GSM), who will act as the Dedicated Account Manager
 - a. The Account Manager shall serve as the Central Point of Contact and have the authority to negotiate the Contract between the State and Contractor. In addition, the Account Manager shall assist with account implementation and maintenance throughout the life of this Contract. Daily inquiries such as product deliveries, missing orders, receiving an incorrect item, billing errors, and most customer-specific issues can be handled at the Dedicated Account Manager level.
 - b. The Dedicated Account Manager has access to information, including, but not limited to, order status, delivery information, backorder information, contracted pricing, standard offering item availability, and product information. The Account Manager shall also actively market the products and services of this Contract to Governmental Entities and local schools under the K-12Indiana program. The Account Manager shall also work with the State Contract Manager on the details and management of the Savings Model.
- e) Account Manager(s)
 - a. Contractor's Government Sales team members working face-to-face with the State's customers.
- f) Account Relationship Manager(s)
 - a. Contractor's sales team members working virtually, generally on the phone, with the State's customers, and are dedicated to serving and addressing the State's customers' needs.

- g) Consulting Manager
 - a. Lead consulting engagements in the State.
- h) Sr. District Manager, Branch Network, Branch Manager(s), Operations Manager
 - a. Manage all day-to-day aspects relative to customer service, will-call counter, inventory control, and distribution of goods at the branch level.
- i) Regional Government Program Manager
 - a. Manages the Public Safety Program and also supports all Government sellers.
- j) Sr. Manager, Channel Business
 - a. Implements the strategy for the State's product categories.
- k) Field Safety Specialist(s)
 - a. Partner with Government Account Managers to help support the State's customers' safety needs.
- l) Healthcare Account Manager(s)
 - a. Have overall accountability for a high level of customer service in healthcare facilities and work directly with all healthcare facilities to provide unique solutions and services.
- m) Customer Service Team – The Customer Service Team shall be responsible for assisting the Ordering Agencies with any issues related to, but not limited to: product information, order status, delivery information, backorder information, contracted pricing, Market Basket item availability and ensuring service level compliance.

2. Quarterly Business Reviews (QBR)

The State and the Contractor shall agree upon the reporting model during the first 60 days of contract implementation. The reporting model may be changed or added to at any time, at the discretion of the State Vendor Contract Manager. The State may request that the Contractor include, but is not limited to: Service Level Agreements, Key Performance Indicator (KPI), Performance Metrics, Transaction Usage, Product Substitutions, Pricing Audit Report, K-12 usage and rebate, additional reporting fields, etc. over the life of the Contract. The Contractor shall be responsible for presenting the agreed upon reporting model to the State at the Quarterly Business Review (QBR), as well as, anytime upon the State's request.

The Contractor shall work with the State Vendor Contract Manager to develop a Savings Model that reflects the actual savings over the life of the Contract. The Contractor shall report on the Savings Model at each QBR and shall provide updates upon request.

3. Service Level Agreements and Performance Metrics

The Contractor shall monitor and fulfill all Service Level Agreements and Performance Metrics. See **Exhibit C and D** for Service Levels and Performance Metrics.

4. Marketing and Promotions

The Contractor should provide an on-going marketing campaign to market this Contract to all current Ordering Agencies, as well as potential users that fall under the categories listed in **Section 1(A) of this Contract**. The Contractor shall develop and present a Marketing Plan to the State of Indiana, and upon approval, the Contractor shall execute the Marketing Plan at no cost. The Contractor should prepare marketing programs and materials. Such marketing tools shall include, but not limited to:

- Mailers
- Envelope inserts
- Poster ads
- Take-away cards
- Media releases
- Email blasts
- Product Fairs

The Contractor shall supply sample marketing requests and proofs for approval prior to printing. The quality output shall be within the standards of the State of Indiana. The Contractor understands all marketing shall be provided at no cost to the State.

5. Problem Resolution

Problem escalation shall be handled using the Contractor's resolution process as provided in the Technical proposal of RFP #18-038 (see **Exhibit E**).

When problems arise, the Contractor's Account Managers will be the first point of contact and will collaborate with the State Agency customers to gain a full understanding of the issue. The Account Managers will use all available resources to resolve any questions immediately to the customer's satisfaction. If the problem cannot be resolved right away, the Contractor's Account Manager will elevate the issue to his/her District Sales Manager and the Government Sales Manager/Dedicated Account Manager. All conversations and actions will be documented in the Contractor's file in their SAP system to ensure resolution. The Contractor's goal is to minimize problems or issues from occurring, and a cycle of Continuous Improvement will be implemented to ensure that the State receives valuable and cost-effective problem resolution, through constantly measured performance. The cycle of Continuous Improvement includes the following steps:

- i. Planning Phase
- ii. Implementation/Execution
- iii. Check Results
- iv. Adjust/Correct

The Contractor shall provide a copy of the Contractor's most recent problem resolution process. In the event that the Contractor amends the problem resolution process, notification shall be sent to the State Account Manager and an electronic copy provided to the State. The State Contract Manager has the authority to contact the Contractor's Account Manager directly for problem resolution if it is determined that the problem requires action from the Contractor that is swift and appropriate. Members of the Contractor's Account Team shall arrive onsite at the Indiana Government Center in Indianapolis by the next business day, if necessary.

6. Disaster Recovery Plan

The Contractor shall provide a copy of the Contractor's most recent disaster recovery and continuity of operations plan. The disaster recovery plan shall demonstrate that in the event of a catastrophe, the State's inconvenience would be extremely minimal. The plan shall include, but is not limited to, the process the State should follow to escalate issues. In the event that the Contractor amends the disaster recovery plan, notification shall be sent to the State Vendor Contract Manager and an electronic copy provided to the State. The Contractor shall provide copies of the disaster recovery plan to all Ordering Agencies upon request.

7. Customer Service Hours

The Contractor shall provide customer services for all Ordering Agencies and locations Monday through Friday from 7:00AM to 5:00PM EST. This on-going support shall be provided via a toll free telephone number, email, and fax. The Contractor's Dedicated Account Manager shall be accessible by phone for emergencies such as, but not limited to, disaster relief, to provide assistance with customer service, or orders that need to be placed.

8. Customer Service Response Time

The Contractor shall resolve all customer service issues within 48 hours of submission.

E. Quality Assurance

The Contractor shall provide only unused products, unless otherwise agreed to by the State Vendor Contract Manager. The Contractor shall guarantee its products to be free from defects in materials and workmanship, given normal use and care, over the period of the manufacturer warranty. The Contractor shall repair and/or replace immediately – or as mutually agreed upon by the Contractor and the Ordering Agency – any defective or failed item within the warranty period specified at no expense to the Ordering Agency (including labor, freight both ways, and materials) for products that are returned in accordance with the **Returns** Section of this Contract. In the event the product cannot be repaired or replaced to the satisfaction of the Ordering Agency, the Contractor shall refund any amounts paid by the Ordering Agency for the product. The terms of this Contract shall supersede any language to the contrary on purchase orders, invoices or other documents provided by the Contractor, manufacturer or other sources.

1. Warranty

Ordering Agencies are eligible to receive manufacturers' warranties and the Contractor shall honor all manufacturers' warranties and guarantees on entire catalog of products offered as part of this Contract. If the manufacturer offers an on-site warranty, those warranty services shall be passed on to the Ordering Agencies. If a product warranty extends beyond the term of this Contract, the Contractor shall agree to provide warranty services throughout the life of the warranty.

2. Product Recall Procedures

The Contractor shall provide recall notification, regardless of level, in writing to the State Vendor Contract Manager and each Ordering Agency through the most expedient method possible. The notices, at a minimum, shall include an item number, complete product description, delivery order number and disposal instructions.

The Contractor shall pick up, test, destroy or return recalled products to the manufacturer at no expense to the State. The Contractor shall issue replacement of product or credit for any product removed or recalled. Each Ordering Agency

shall have the option of accepting either replacement product or credit in exchange for recalled/removed products.

3. Test Samples

Contractor shall supply sample products in sufficient quantities for testing purposes when reasonable and requested. The Contractor shall contact the State Vendor Contract Manager in instances where the request for samples is believed to be unreasonable. The State Vendor Contract Manager shall deem if the request is reasonable or unreasonable. Samples shall be provided at no expense to the Ordering Agency and delivered within 2 – 4 business days of request.

F. Ordering

1. Catalog

d) Hard Copy Catalog

Hard copies of the Indiana Maintenance, Repair, and Operations (MRO) Products Catalog shall be available upon request, at no cost, to Ordering Agencies for ordering under this Contract. Requests for hard copy catalogs should be submitted to Customer Service.

REQUEST HARD COPY CATALOG	
Contact:	Customer Service
Telephone:	1-800-Grainger
Facsimile:	
Email:	customersupport@grainger.com

e) Electronic Catalog

The contract items listed in the Indiana Maintenance, Repair, and Operations (MRO) Products Catalog shall be available for viewing through the Contractor's website. The Contractor's electronic catalog provided as part of the online ordering system contains only those items available in the Indiana Maintenance, Repair, and Operations (MRO) Products Catalog.

VIEW ELECTRONIC CATALOG	
Website:	www.grainger.com

f) User Access:

State Agency personnel shall be able to access an electronic catalog with the Contractor. Users shall not have the authority to purchase or create orders through the electronic catalog. Users shall have the following capabilities within the electronic catalog:

- Search electronic catalog for contract items
- View contract item information (with pricing)
- Create Carts

A State customer must register on www.grainger.com with their Grainger account number in order to view their Contract pricing.

2. Ways to Place an Order

The Contractor shall be able to receive orders by any of the following methods: electronically via State's punch-out, K-12/Library/OneIndiana BPS catalog, phone, fax, in store via purchase order and confirming purchase order. The Contractor shall have internal controls, approved by the State of Indiana, to:

- a) Ensure that only authorized individuals place orders

- b) Verify any orders that appear to be abnormal
- c) Confirm that the State Vendor Contract Manager has authorized purchase, from a State Agency, of any non-market basket or special request item.

3. Order Confirmation

An e-mail order confirmation shall be sent to the Ordering Agencies buyer within one (1) hour of Contractor's receipt of purchase order. This order confirmation shall include the following information, but not limited to: Purchase Order Number, Order Date, Ship To Information, list of ordered items, list of shipped items, backordered items, and expected delivery date. In lieu of an email address, this confirmation shall be faxed. If the confirmation does not match the requested items, the Ordering Agency shall contact Customer Service.

4. Sourced Items

Ordering Agencies may purchase items that fall within awarded categories, but are not within the Contractor's standard offerings. Standard offerings include the Contractor's full line catalog – anything on the web, in stores, or acquired through existing manufacturer relationships. Sourced items are items and services not within the Contractor's standard offerings. When an Ordering Agency requests such an item or service, the Contractor's Account Manager shall provide a detailed quote from the manufacturer to the Ordering Agency. The quote at a minimum shall include: Quote Date, Valid until Date, Item Quantity, Item or Service Description, UOM, Item or Service Price, Order Total, and Lead Time. Sourced item and service orders shall be processed by the next business day of order receipt.

Because sourced items and services are not part of the Market Basket (see **Exhibit A**), they will be sold with the Non-Market Basket discount for the category to which they belong (see **Exhibit B**).

Contractor will respond and complete all quotes within 24 hours of receipt; if a delay is anticipated, it will be communicated to the agency immediately.

5. Volume Discounts

The Contractor shall negotiate better pricing, while accomplishing the Ordering Agency's needs, with an Ordering Agency on an individual basis at any time throughout this Contract period. If the Ordering Agency is a State Agency, prior written approval from the State Vendor Contract Manager is required.

G. eProcurement

1. State Agency Punch-Out

The Contractor agrees to provide an online catalog (punch-out) through the State's PeopleSoft system that shall be used for pricing and ordering purposes. The Contractor shall meet all eProcurement specifications with regards to the punch-out as specified in the RFP documents (see **Exhibit E**).

a) System Requirements

The Contractor's system shall be able to identify an item is Market Basket, environmentally preferable, whether item is in stock or backordered, Minority/Women Owned Business, and suggest low-cost alternative items within a user's cart. Users shall be able to conveniently create and save shopping lists for ease of ordering at a later date. The Contractor's system shall have a searchable Market Basket list of contract items separate from the full catalog.

- b) Limitation and Restrictions
The Contractor shall be able to block sections of its catalog from view. Similarly, the Contractor shall be able to program its ordering system to flag restricted items and verify that the Ordering Agency has approval from the State Vendor Contract Manager before shipping the items; this requirement is especially important for non-online ordering.
- c) System Maintenance and Uptime
The Contractor shall maintain a reasonable system uptime of ninety-nine percent (99%) during the operational hours of Monday through Friday, 7AM – 5PM EST. The Contractor shall immediately notify the State Vendor Contract Manager of any system issues. Any content errors discovered on the Contractor’s punch-out shall be corrected by the next business day of notification to the Contractor of the error or, generally, of any scheduled maintenance to the punch-out.
- d) Third Party Management
The State reserves the right to use a third party for the management of the contract catalog (full line of market and non-market basket items). Upon notice by the State, Contractor agrees to provide catalog data in the cXML format specified by third party hosting vendor to an SFTP site. Any price or product information changes shall require an updated file be submitted to the SFTP site for approval in advance of any anticipated changes and shall be subject to State review and approval.

- 2. K-12 / Library / OneIndiana / Other Local Governmental Entities
The Contractor shall work with the State and K-12/Library/OneIndiana purchasing portal to provide the ability of either a punch-out or catalog to K-12 and other Governmental Entities purchasing off of this Contract. The K-12 schools shall have the ability to purchase directly from the Contractor’s identified Minority Business subcontractor through a separate catalog located on the K-12Indiana purchasing portal.
K-12Indiana Portal: www.K12Indiana.com
LibraryIndiana Portal: www.LibraryIndiana.com
OneIndiana Portal: www.oneindiana.net

H. Market Basket / Non-Market Basket

The Contractor shall meet the State’s requirement for a quarterly item review of all Market Basket items in which the Contractor shall assist the State in revising items. The Contractor shall provide assistance in product selection for the State’s Market Basket with the intent to make sure the Market Basket contains relevant items. The Contractor shall provide reports to the State that shall assist in identifying high-usage, low cost items that should be added to the Market Basket. The quarterly item review is not an opportunity for market basket/non-market basket price increases; all pricing review will take place per the language in Section 2 Considerations of this document.

- 1. Product Availability
Contractor agrees that there shall be no cancellation of products within the Market Basket used without an equal and acceptable replacement pre-approved by the State of Indiana Vendor Contract Manager during the term of the agreement. The Contractor must communicate manufacturer’s discontinuation of any products to the State Vendor Contract Manager in writing within thirty (30) business days. In such instances, Contractor shall work with the State Vendor Contract Manager to identify and implement alternative options that shall maintain or reduce costs and supply equal or greater quantities per UOM associated with the replacements. The Contractor shall be prepared to offer

detailed quarterly reports if requested by the State, displaying removed items off of contract list and suggested replacements.

2. Fill Rate Guarantee

The Contractor shall maintain a 100% fill rate for delivery of Market Basket items within 48 hours. Any item backordered from the Market Basket shall be provided at no charge to the State. The State acknowledges that the Contractor shall not incur penalties for any failure to meet a 100% fill rate (i) as the result of a force majeure event including significant shortages of raw materials or (ii) for any Market Basket orders containing extraordinarily large quantities. In addition, a penalty shall not apply if the Contractor and the Ordering Agency mutually agree to substitute a back-ordered Market Basket item with a similar item. The substituted item shall not exceed the price of the back-ordered Market Basket item. For Non-Market Basket items, the Contractor shall maintain a 95% fill rate for delivery within 7 business days. All of this applies, unless otherwise approved by the State.

Line items that are reordered, back-ordered, or partially filled are not considered filled line items when calculating this service level. Orders not filled and partially filled shall be indicated on the packing list. Contractor shall be prepared, upon request, to provide documentation of fill rate to the State and work to reduce reordered, back-ordered, or partially filled orders.

I. Shipping / Delivery

The Contractor shall be able to deliver to all current and potential delivery sites within the State of Indiana, where some may include desktop delivery, and meet specified delivery requirements as well as delivery to all other Ordering Agency locations. This shall include desktop delivery within given State facilities. The Contractor shall receive a weekly report from the State to identify delivery State Agency site updates or new locations.

1. Delivery Timeframes

Except for sourced products and special circumstances discussed by the Contractor, Ordering Agency, and State Vendor Contract Manager, the Contractor shall use commercially reasonable efforts to ensure that orders placed shall be dock or desktop delivered, whichever the ordering location prefers, within twenty-four (24) hours. The Contractor shall use commercially reasonable efforts to maintain an on-time delivery percentage of 99%.

2. Shipping Charges

The Contractor agrees that all prices include shipping and handling fees required to provide delivery to all State and Ordering Agency locations unless specifically approved in writing by the State of Indiana Vendor Contract Manager. The Contractor shall remain responsible for goods until the Ordering Agency takes possession.

3. Proof of Delivery

The Contractor shall provide proof of delivery for an order upon request from the Ordering Agency that shall include, but not limited to, the accepting individual's name, signature, delivery date, delivery time, and packing list.

4. Backorders

In the event that a product is backordered, partial shipments or shipment is delayed for any reason, the Contractor shall notify the Ordering Agency of such delay in the following ways:

- a) Backordered item(s), item number(s), and expected delivery date(s) shall be annotated on the email order confirmation.
- b) Backordered item(s) shall be annotated on the packing list that the Ordering Agency receives with the order and include the expected delivery date(s).
- c) Contractor's online catalog/punch-out provides in-stock/backorder status.

The Contractor shall then work to fill the backorder. If the Contractor's system is unable to fill a line, the Contractor's local purchasing group shall source the backordered item. If an item is discontinued, or unavailable, the Contractor shall call the Ordering Agency and give a choice of canceling the order, or a like-for-like alternate.

5. Product Substitutions

Product substitution is not allowable unless pre-approved in writing by the State or Ordering Agency, and only then may the item be shipped. The substituted item shall be of equal functionality and quality and shall not exceed the contract price of the back-ordered or unavailable item. Contractor shall submit a quarterly report of all items that have been substituted.

J. Billing/Payment

1. Invoice

The Contractor shall invoice the State only after items have been delivered prior to payment. The Contractor shall invoice the State only after completion of the work described in the purchase order/Contract, and as required below prior to any payment. The Contractor shall submit an invoice to the Ordering Agency's Bill To Address. The Contractor's invoice shall identify, at a minimum, the information listed below:

Invoice Number, Invoice Date, Ordering Agency's Bill To Information, Ordering Agency's Ship To Information, Business Unit, Purchase Order Number, Item Number, Item Description, Order Qty for each Item, Item Price, Invoice Total

2. Billing

The Contractor understands and agrees that the invoice shall;

- Include only charges for products that have been shipped/fulfillment completely
- Not include any items shipped separately or backordered item(s), which shall have a separate invoice for payment on the same Purchase Order
- If multiple invoices are sent for the same Purchase Order, there shall be a note that it is for partial payment
- Not include sales tax or shipping charges

3. Payments

It shall be the responsibility of the "Bill To" Agency to make payment. Any questions concerning payment should be addressed to the "Bill To" Agency listed on the purchase order. If there is a dispute over charges on the State's invoice, the State shall work with the Contractor's Dedicated Account Manager to determine the issue and path of resolution.

The Contractor agrees that the timeframe for payment (and any discounts) begins when the "Bill To" Agency is in receipt of a correct invoice that meets the minimum requirements stated above and products have been delivered in satisfactory condition.

The Contractor understands and agrees that the State shall not accept any responsibility for purchase orders issued by Governmental Entities, including K-12 entities or libraries.

K. Returns

For all products, the Contractor shall accept returns from an Ordering Agency within thirty (30) business days of receipt of product. For all returns, the Contractor shall provide full credit or full refund to Ordering Agency, whichever an agency requests, within thirty (30) business days. With the exception of damaged or defective items, Ordering Agencies shall use best efforts to return products in original packaging (including manuals and all parts), in resalable condition and a copy of the packing list. Without a packing list, items will be eligible for an exact-item exchange or merchandise credit.

Product returns shall be processed by calling Customer Service or filling out the return request form located on the Contractor's website. The product will then be added for pick up on the next scheduled delivery day.

The Contractor shall credit all returns to the Ordering Agency within fifteen (15) business days of receipt.

1. Damaged Freight, Error in Shipment, Defective Items

The Contractor shall pay and arrange for all shipping and handling charges for items returned because of freight damage or error in shipment. Ordering Agencies shall be credited the full amount of all items returned. All credits shall be made to the account codes used to purchase the returned items. If the order had multiple account codes, the Ordering Agency shall instruct the Contractor to which code or codes the credit shall be assigned. The Contractor shall issue credit within fifteen (15) business days once item has been returned to Contractor's warehouse.

2. Restocking Fee

Contractor shall not impose a return or restocking fee on Ordering Agencies for items that have been returned in accordance with the Returns section.

L. Reporting/Metrics

The Contractor shall provide the State and Ordering Agencies monthly, quarterly, ad-hoc reporting, and report customization at no cost for the duration of the Contract. The standard reporting listed below shall be available to the State or Ordering Agency within 2 business days of the request unless the parties agree to a longer response period. Ad-hoc and customized reporting shall be provided within 5 business days.

1. Savings Model

The Contractor shall work with the State Vendor Contract Manager to develop a mutually agreed upon Savings Model, within ninety (90) days of final State signature, which reflects the actual savings over the life of this Contract. The Contractor shall report on the Savings Model at each Quarterly Business Review (QBR) and shall provide updates upon request.

2. Usage Reports

The Contractor shall track all system and usage data to report at each QBR. The report shall include, but not limited to, Market Basket/ Non-Market Basket/Sourced Item Indication, Recycled, MWBE product, Item Number, Item Description, Item Category (see Categories referenced in **Exhibit B**), Quantity, Unit of Measure, List Price, Price Charged per UOM, Extended Price Charged,

Order Date, Purchase Order Number, and Ordering Entity. The Contractor shall provide updates upon request.

3. Year End Usage Reports

The Contractor shall track all system and usage data to report at the end of each contract year. The report shall include, but not limited to, Market Basket/Non-Market Basket/Sourced Item Indication, Item Number/SKU, Item Description, Item Category (see Categories referenced in **Exhibit B**), Quantity, Unit of Measure, List Price, Web Price, Price Charged per UOM, Extended Price Charged, Order Date, Purchase Order Number, and Ordering Entity.

4. Close Out Reports

The Contractor shall submit final close out reports to the State Vendor Contract Manager upon the expiration or termination of the Contract. Reports shall include, but are not limited to, all standard reports for usage up to the expiration or termination date of the Contract, close out reporting of outstanding credit refunds, and close out reports detailing final payment completion.

5. Pricing Audit Report

The Contractor shall work with the State Vendor Contract Manager to develop a mutually agreed upon pricing audit report that reflects the number of transactions during a 3-month period, item list price at the time of purchase, whether it is a Market Basket/Non-Market Basket/Sourced item, any percentage discounts applied, and the price the Ordering Agency paid to show the difference. The Contractor shall provide this report at each QBR and shall provide updates upon request.

6. MWBE Subcontractor Compliance

The Contractor shall enter, on a monthly basis, payments into the Minority and Women's Business Division online audit tool, to each Minority and Women's Business subcontractor committed to in this Contract.

The Contractor shall report on subcontractor compliance at each QBR; this report shall include, but is not limited to, percentage utilization, project utilization, items purchased, and pricing audits. These reports shall be submitted to both the Vendor Contract Manager and a representative from the IDOA Division of Supplier Diversity, at the discretion of the State.

7. Indiana Economic Impact (IEI)

The Contractor shall track and report on a quarterly basis actual full time equivalent (FTE) employees that are Indiana residents specifically working on this Contract. The Contractor shall be held to the commitment specified at time of award, as detailed on the Indiana Economic Impact form in the RFP documents (see **Exhibit E**). FTE's that shall be included in this report are employees working on this Contract ONLY. Employees working on this Contract, but not full time, shall be counted as a fraction or percent of one (1) employee. The Contractor shall work with the State to develop and provide the method of tracking IEI and detailed job descriptions within 90 days of final State signature.

M. Miscellaneous Commitments

1. Subcontracting

The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontract agreements are approved by the State,

each shall contain all sections of this Contract. The Contractor shall be the Prime Contractor and shall be responsible for all work performed on this Contract.

2. Directed Sourcing

The Contractor and the State agree to work together to develop a mutually agreed upon directed source commitment program. A directed source provision is a contractual commitment whereby the Contractor is required to purchase and/or sub-contract for items specified from a preferred or directed source. The directed source commitment program shall include the following requirements:

- a) Contractor agrees and understands that all approved State Use products – relating to the Maintenance, Repair, and Operations (MRO) Products categories – will be available through work center QPAs or through the directed source provision.
- b) Contractor agrees to sell approved items from work centers unless the work center (vendor) cannot meet the delivery and/or specifications, as requested. Approved items shall include those listed on current State Use Contracts.
- c) State Use products shall be introduced on an annual basis and included with this directed source provision.
- d) At the time an approved item is introduced and included with the directed source provision, the State and Contractor shall determine the appropriate mark-up, if any. Only items that are warehoused and delivered by the Contractor shall be subject to a mark-up. A fair market assessment shall be provided as justification for proposed mark-up and shall receive approval of the State Vendor Contract Manager before item is introduced through this Contract.

3. Retail (if Applicable)

4. Employee Purchase Program/Discount

Details of the Employee Purchase Program shall be listed on the State Personnel website so that all State Employees may take advantage of the program.

The Contractor shall extend this program to K-12, Library and other Governmental Entities and work directly with these entities for any set up that is required. These entities have direct approval on how/if this program is implemented.

5. Purchasing Card

The Contractor shall accept the State's Purchasing Card (P-Card) as an optional form of payment, if advised by the State Contract Manager. The Contractor shall accept any credit card-user handling fees associated with the acceptance of the State's Purchasing Card.

N. Vending

In consideration of the State purchasing MRO products from the Contractor, Grainger KeepStock® will be provided, at no cost to the State, subject to the terms and conditions of this agreement.

The Contractor and the State agree that there shall be sub-agreements to this document known as Vending Use Agreements ("VUAs"). All VUAs shall be written under the authority of, and consistent with, the terms and conditions of this Contract. All VUAs shall be made a part of this Contract and are incorporated herein by reference. The KeepStock® Equipment is and will remain the property of Grainger and are placed in

operation without any fees or charges for delivery, installation, rental, maintenance, software licensing, or connectivity.

1) Products & Liability

Only Grainger product purchased before it was loaded into the equipment may be dispensed, although consumable products purchased from suppliers other than the Contractor may be dispensed in mutually agreed areas of the equipment. Durable products can be stored throughout the Contractor's lockers without regard to who the seller was. Other products ineligible for dispensing may include items that could damage or jam the dispensing equipment and those ineligible for dispensing due to laws or regulations. Lockers may not be used for the storage of hazardous items.

The User Agency represents that items it selects for locker storage can be safely stored indefinitely and accepts all responsibility for any damage to the lockers or harm to the health or safety of persons or property caused by the storage of products in any locker, unless such damage or harm is caused by the Contractor's negligence. The User Agency is responsible for damage to the dispensing machines caused by its negligence or willful misconduct. The User Agency will not permit anyone under the age of 18 to withdraw products from any machine.

2) Machine Stocking and Location

Initial stocking of dispensing machines and lockers and replenishment of the dispensing machines shall be performed only by the Contractor's employees. Emergency and repair access to all dispensing machines by trained User Agency employees will be permitted. Lockers may be accessed by User Agency employees at any time.

The User Agency will have final selection of the location within a facility for each machine or locker, provided that the Contractor is given continuing access for the installation, repair, replenishment, and removal of machines and lockers. Contractor employees may be accompanied by the manufacturer of the machines and lockers at the time of installation or repair.

The Contractor will train a select number of User Agency employees to perform such basic maintenance as repair of door jams. The Contractor will be responsible for other maintenance and repair of the dispensing equipment and lockers, except where the User Agency has negligently caused damage.

3) Software

The Contractor's management of the software database and the dispensing reporting that tracks product withdrawal by the User Agency depends on its installation of a Web-based platform. Should synchronization over a secure port be unavailable, the Contractor will examine other options for internet connectivity needed to allow the Contractor to perform database management and reporting functions, including the possible option that the Contractor may provide the software and assist the User Agency with installation, at the discretion of any necessary approvals by the State.

All software maintenance shall be performed by the Contractor's software licensor. "Software fixes" will be provided to the User Agency free of charge where network connectivity through a secure port is not provided.

2. Consideration

Total Remuneration under this Contract shall not exceed \$5,850,146.95. The Contractor agrees that all prices include delivery, shipping, service and administrative costs required to provide delivery to all State locations unless specifically approved, in writing, by the State.

A. Market Basket Pricing

The Contractor shall provide products identified by the State, K-12, and Library entities as core items required by Ordering Agencies to support normal business operations on a regular basis, as referenced in **Exhibit A**.

B. Non-Market Basket Pricing

The Contractor shall provide products that are available in the Contractor's current standard offerings with a Non-Market Basket Discount based on the category into which the products fall. Identified Non-Market Basket Discounts, as referenced in **Exhibit B**, shall remain the same **or better** for the life of the Contract including option years and extensions.

1. Sourced Products

In the case of products or services that fall within awarded categories which the Vendor sources on behalf of the State and which are not part of the Vendor's standard offerings, the State shall receive the Non-Market Basket Discount for the category into which the products or service fall, where applicable, at the discretion of the State Vendor Contract Manager.

2. Retrospective Discount

For any of the thirty-eight (38) highest spend Non-Market Basket items, which include nineteen (19) General Industrial, six (6) Lighting and Electrical Supplies, ten (10) Plumbing Supplies, and three (3) Safety Supplies items, the Vendor agrees to apply a retrospective discount of 33% off the Grainger Contract Reference Price (CRP). The Vendor will pay the State the difference between the price paid, minus returns, credits and expedited freight, and the price the State would have paid had the thirty-three percent (33%) retrospective discount off Grainger Contract Reference Price been applied at the time of purchase. In instances where the price paid at time of purchase is less than the retrospective discount price, the price paid for that item will be considered the retrospective discount price for the Non-Market Basket item identified on an annual basis. Retrospective discounts will be applied to identified Non-Market Basket items by the Vendor within forty-five (45) days following the end of the calendar year.

a) Example

Grainger Contract Reference Price: \$100

Invoiced Price: \$60

Quantity: 100

Total Invoice: $\$60 * 100 = \6000

Retrospective discount price: $\$100 * (.33) = \67

Total Retrospective purchase amount: $\$67 * 100 = \6700

In the aforementioned example, since the price paid by the State for the Non-Market Basket item was less than the retrospective discount calculation for this item, no additional discount for this transaction is owed to the State.

C. Pricing Terms

1. Price Hold

All Market Basket item prices shall remain set and unchanged for the initial twelve (12) months after the Contract effective date. After the initial 12-month

period, price increases shall be approved by the State of Indiana on an annual basis with valid documentation regarding market-based conditions that impact the Grainger Contract Reference Price. Price increases per item shall continue to reflect the Contractor's original discount percentage or better. Price changes will go into effect 30 days after approval documentation has been sent to Contractor from the State of Indiana.

Grainger's **Contract Reference Price (CRP)** is a market-based product pricing structure from which any discounts extended from Grainger to the State will be calculated. CRP may change up to three times per year. These changes can include increases as well as decreases depending on the item, Grainger's cost, and market conditions. Changes in Grainger's cost do not necessarily mean a change in the CRP.

Quarterly market basket composition and non-market basket percentage off list price reviews will begin at the first quarterly business review and at every quarterly review for the remainder of this Contract. The State reserves the right to adjust the Market Basket items and Non-Market Basket percent off list price during the initial twelve (12) months.

The approval document for price changes shall be issued through an amendment to this Contract by the State and include a new item listing, or **Exhibit A**, which will replace all prior versions of the item listing.

2. Price Match

If it is discovered that a product can be purchased from **www.grainger.com** or from a **Grainger Retail Store** for a price lower than its current contracted pricing, Contractor shall match the lower price for all products that are an exact item match. Price match purchase must have the approval of the State Vendor Contract Manager, as a special request purchase shall be required.

D. Pricing Errors and Overcharges

For any pricing errors or overcharges discovered by either party, the Contractor shall reimburse the State in full for all overcharges. Additionally, the Contractor shall pay to the State 10% of total purchase price of the accurately-priced items which had been invoiced at incorrect pricing, at the discretion of the State, if Contractor fails to correct pricing discrepancies within 14 days of notification. The State shall pay Market Basket Price less 10% if any Market Basket items are removed without notification or coordination forcing Non-Market Basket Substitutes to be purchased. Any pricing errors shall be corrected by the next business day of notification to the Contractor of the error. The Contractor shall provide a credit to the Ordering Agency for pricing errors or penalty fees. In the event that multiple agencies are involved, credit distribution shall be determined at the discretion of IDOA.

E. Financial Warranty

The Contractor shall not use the State of Indiana's Market Basket pricing, as listed in **Exhibit A**, to negotiate lower prices on existing or new contracts ("Competing Contracts") with entities that are Ordering Agencies, as defined in **Section 1(A)** of this Contract. If the Contractor executes Competing Contracts that include any Market Basket item contracted hereunder to an Ordering Agency, and the Market Basket item is provided at a price lower than that which is charged under this Contract, the lower price per item shall be effective from the date the Competing Contract was executed.

In addition to the State's new Contract price per Market Basket item, which resulted from the Competing Contract's lower price per Market Basket item, the Ordering Agency shall also be entitled to a credit for the difference between the amounts paid per Market Basket

item, as listed in **Exhibit A**, and the Competing Contract's lower price per Market Basket item. The credit will be calculated based on the historical volume ordered by each Ordering Agency from the date the Competing Contract was executed to the date the vendor updates the Market Basket item prices in the eProcurement Punch-Out, as discussed in **Section 1(G)** of this Contract.

It shall not be a violation of this section for the Contractor to respond to a bid, request for proposal, request for quotation, or similar public solicitation process ("Bid") from any Ordering Agency **and** to offer different prices for products not offered in this Contract's Market Basket, as listed in **Exhibit A**. Further, it shall not be a violation of this section for the Contractor to negotiate a local Market Basket ("Local Market Box"), for any Ordering Agency, with the exclusion of State Agencies, to offer different prices for products not offered in the State Market Basket, as listed in **Exhibit A**. A Local Market Box consists of State Market Basket items, priced as listed in **Exhibit A**, plus Non-Market Basket items. Non-Market Basket items included in the Local Market Box shall not impact, alter or change the State's Non-Market Basket percent off list price, as referenced in **Exhibit B** of this Contract. It shall not be a violation to offer Market Basket item(s) to an Ordering Agency at a lower price if a onetime bulk purchase is made. However, for a one time bulk purchase to be made, prior written approval from the State Vendor Contract Manager is required.

F. Discounts and Rebates

3. Term

This Contract shall be effective for a period of two (2) years. It shall commence on February 15, 2019 and shall remain in effect through February 14, 2021.

4. Access to Records

The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract, and for three (3) years from the date of final payment under this Contract, for inspection by the State or its authorized designees. Copies shall be furnished at no cost to the State if requested.

5. Assignment; Successors

The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that the Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Assignment of Antitrust Claims

As part of the consideration for the award of this Contract, the Contractor assigns to the State all right, title, and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products or services which are the subject of this Contract.

7. Audits

The Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC §5-11-1, et. seq. and audit guidelines specified by the State.

The State considers the Contractor to be a "Contractor" under 2 C.F.R. 200.330 for purposes of this Contract. However, if required by applicable provisions of 2 C.F.R. 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements), Contractor shall arrange for a financial and compliance audit, which complies with 2 C.F.R. 200.500 et seq.

8. Authority to Bind Contractor

The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the State.

9. Changes in Work

The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the State. The Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

10. Compliance with Laws

- A. The Contractor shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.
- B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC §4-2-6, et seq., IC §4-2-7, et seq., and the regulations promulgated thereunder. **If the Contractor has knowledge, or would have acquired knowledge with reasonable inquiry, that a state officer, employee, or special state appointee, as those terms are defined in IC 4-2-6-1, has a financial interest in the Contract, the Contractor shall ensure compliance with the disclosure requirements in IC 4-2-6-10.5 prior to the execution of this contract.** If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at <http://www.in.gov/ig/>. If the Contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under IC §§4-2-6, 4-2-7, 35-44.1-1-4, and under any other applicable laws.
- C. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. The Contractor agrees that any payments currently due to the State of Indiana may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.
- D. The Contractor warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Contractor agrees that

the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.

- E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC §5-17-5.
- F. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the State.
- G. The Contractor affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.
- H. As required by IC §5-22-3-7:
 - 1. The Contractor and any principals of the Contractor certify that:
 - (A) the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of:
 - (i) IC §24-4.7 [Telephone Solicitation Of Consumers];
 - (ii) IC §24-5-12 [Telephone Solicitations]; or
 - (iii) IC §24-5-14 [Regulation of Automatic Dialing Machines]; in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and
 - (B) The Contractor will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.
 - 2. The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor, except for de minimis and nonsystematic violations,
 - (A) has not violated the terms of IC §24-4.7 in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and
 - (B) will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.

11. Condition of Payment

All services provided by the Contractor under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of any federal, state or local statute, ordinance, rule or regulation.

12. Confidentiality of State Information

The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material, and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by Contractor for the State under this Contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the State agree to comply with the provisions of IC §4-1-10 and IC §4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

13. Continuity of Services

A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. The Contractor agrees to:

1. Furnish phase-in training; and
2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. The Contractor shall, upon the State's written notice:

1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires; and
2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

14. Debarment and Suspension

A. The Contractor certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.

B. The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State's request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

15. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, the Contractor may cancel and terminate this Contract and institute measures to collect monies due up to and including the date of termination.

16. Disputes

- A. Should any disputes arise with respect to this Contract, the Contractor and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

- B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs.

- C. If the parties are unable to resolve a contract dispute between them after good faith attempts to do so, a dissatisfied party shall submit the dispute to the Commissioner of the Indiana Department of Administration for resolution. The dissatisfied party shall give written notice to the Commissioner and the other party. The notice shall include (1) a description of the disputed issues, (2) the efforts made to resolve the dispute, and (3) a proposed resolution. The Commissioner shall promptly issue a Notice setting out documents and materials to be submitted to the Commissioner in order to resolve the dispute; the Notice may also afford the parties the opportunity to make presentations and enter into further negotiations. Within thirty (30) business days of the conclusion of the final presentations, the Commissioner shall issue a written decision and furnish it to both parties. The Commissioner's decision shall be the final and conclusive administrative decision unless either party serves on the Commissioner and the other party, within ten (10) business days after receipt of the Commissioner's decision, a written request for reconsideration and modification of the written decision. If the Commissioner does not modify the written decision within thirty (30) business days, either party may take such other action helpful to resolving the dispute, including submitting the dispute to an Indiana court of competent jurisdiction. If the parties accept the Commissioner's decision, it may be memorialized as a written Amendment to this Contract if appropriate.

- D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for the Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

- E. With the written approval of the Commissioner of the Indiana Department of Administration, the parties may agree to forego the process described in subdivision C. relating to submission of the dispute to the Commissioner.
- F. This paragraph shall not be construed to abrogate provisions of Ind. Code 4-6-2-11 in situations where dispute resolution efforts lead to a compromise of claims in favor of the State as described in that statute. In particular, releases or settlement agreements involving releases of legal claims or potential legal claims of the state should be processed consistent with Ind. Code 4-6-2-11, which requires approval of the Governor and Attorney General.

17. Drug-Free Workplace Certification

As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor, or an employee of the Contractor in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Contract is in excess of \$25,000.00, the Contractor certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

18. Employment Eligibility Verification

As required by IC §22-5-1.7, the Contractor swears or affirms under the penalties of perjury that the Contractor does not knowingly employ an unauthorized alien. The Contractor further agrees that:

- A. The Contractor shall enroll in and verify the work eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC §22-5-1.7-3. The Contractor is not required to participate should the E-Verify program cease to exist. Additionally, the Contractor is not required to participate if the Contractor is self-employed and does not employ any employees.
- B. The Contractor shall not knowingly employ or contract with an unauthorized alien. The Contractor shall not retain an employee or contract with a person that the Contractor subsequently learns is an unauthorized alien.
- C. The Contractor shall require his/her/its subcontractors, who perform work under this Contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.
- D. The State may terminate for default if the Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by the State.

19. Employment Option

If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release the selected employee from any non-compete agreements that may be in effect. This release will be at no cost to the State or the employee.

20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately or as soon as is reasonably possible under the circumstances give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract

21. Funding Cancellation

When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

22. Governing Law

This Contract shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana.

23. HIPAA Compliance

If this Contract involves services, activities or products subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor covenants that it will appropriately safeguard Protected Health Information (defined in 45 CFR 160.103), and agrees that it is subject to, and shall comply with, the provisions of 45 CFR 164 Subpart E regarding use and disclosure of Protected Health Information.

24. Indemnification

The Contractor agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all third party claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. The State shall not provide such indemnification to the Contractor.

25. Independent Contractor; Workers' Compensation Insurance

The Contractor is performing as an independent entity under this Contract. No part of this Contract shall be construed to represent the creation of an employment, agency, partnership or joint venture agreement between the parties. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall provide all necessary unemployment and workers' compensation insurance for the Contractor's employees, and shall provide the State with a Certificate of Insurance evidencing such coverage prior to starting work under this Contract.

26. Information Technology Enterprise Architecture Requirements

If the Contractor provides any information technology related products or services to the State, the Contractor shall comply with all IOT standards, policies and guidelines, which are online at <http://iot.in.gov/architecture/>. The Contractor specifically agrees that all hardware, software and services provided to or purchased by the State shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC 4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT in advance. The State may terminate this Contract for default if the Contractor fails to cure a breach of this provision within a reasonable time.

27. Insurance

- A. The Contractor and their subcontractors (if any) shall secure and keep in force during the term of this Contract the following insurance coverages (if applicable) covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from Contractor's performance under this Contract:
 1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.
 2. Automobile liability for owned, non-owned and hired autos with minimum liability limits of \$700,000 per person and \$5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.

3. Errors and Omissions liability with minimum liability limits of \$1,000,000 per claim and in the aggregate. Coverage for the benefit of the State shall continue for a period of two (2) years after the date of service provided under this Contract.
 4. Fiduciary Liability is required if the Contractor is responsible for the management and oversight of various employee benefit plans and programs such as pensions, profit-sharing and savings, among others. These contractors face potential claims for mismanagement brought by plan members. Limits should be no less than \$700,000 per cause of action and \$5,000,000 per occurrence.
 5. Valuable Papers coverage, available under an Inland Marine policy, is required when any plans, drawings, media, data, records, reports, billings and other documents are produced or used under this agreement. Insurance must have limits sufficient to pay for the re-creation and reconstruction of such records.
 6. The Contractor shall secure the appropriate Surety or Fidelity Bond(s) as required by the state department served or by applicable statute.
 7. The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior to the commencement of this Contract and proof of workers' compensation coverage meeting all statutory requirements of IC §22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Contract involve work outside of Indiana.
- B. The Contractor's insurance coverage must meet the following additional requirements:
1. The insurer must have a certificate of authority or other appropriate authorization to operate in the state in which the policy was issued.
 2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
 3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this Contract shall not be limited by the insurance required in this Contract.
 4. The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.
 5. The Contractor waives and agrees to require their insurer to waive their rights of subrogation against the State of Indiana.
- C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the State to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the State before the commencement of this Contract.

28. Key Person(s)

- A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the State shall have the right to terminate this Contract upon thirty (30) days' prior written notice.
- B. In the event that the Contractor is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for the Contractor shall not be permitted without express written consent of the State.

Nothing in sections A and B, above shall be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person(s) to this Contract is/are N/A.

29. Licensing Standards

The Contractor, its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules, or regulations governing services to be provided by the Contractor pursuant to this Contract. The State will not pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules, or regulations. If any license, certification or accreditation expires or is revoked, or any disciplinary action is taken against an applicable license, certification, or accreditation, the Contractor shall notify the State immediately and the State, at its option, may immediately terminate this Contract.

30. Merger & Modification

This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented, or amended, except by written agreement signed by all necessary parties.

31. Minority and Women's Business Enterprises Compliance

Award of this Contract was based, in part, on the MBE/WBE participation plan. The following certified MBE or WBE subcontractors will be participating in this Contract:

MBE/WBE	PHONE	COMPANY NAME	SCOPE OF PRODUCTS and/or SERVICES	UTILIZATION DATE	PERCENT
Minority	765/459-4788	RITE QUALITY OFFICE SUPPLIES, INC.	Rite Quality will have access to Grainger's supply chain inclusive of online catalog and sourcing capabilities	02/15/2019	15.000
Woman	812/949-8696	INTERSTATE INDUSTRIAL SUPPLY INC	Interstate will have access to Grainger's supply chain inclusive of online catalog and sourcing capabilities	02/15/2019	15.000

A copy of each subcontractor agreement must be submitted to IDOA's MBE/WBE Division within thirty (30) days of the effective date of this Contract. Failure to provide a copy of any subcontractor agreement will be deemed a violation of the rules governing MBE/WBE

procurement, and may result in sanctions allowable under 25 IAC 5-7-8. Failure to provide any subcontractor agreement may also be considered a material breach of this Contract. The Contractor must obtain approval from IDOA's MBE/WBE Division before changing the participation plan submitted in connection with this Contract.

The subcontractors and percentages above will remain fixed for the first full year of this Contract, at the discretion of the Vendor Contract Manager and IDOA Division of Supplier Diversity.

The Contractor shall report payments made to MBE/WBE Division subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as "Pay Audit." MBE/WBE Division subcontractor payments shall also be reported to the Division as reasonably requested and in a format to be determined by Division.

32. Nondiscrimination

Pursuant to the Indiana Civil Rights Law, specifically including IC §22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee's or applicant's race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law ("Protected Characteristics"). Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a material breach of this Contract, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the State and any applicant or employee of the Contractor or any subcontractor.

The State is a recipient of federal funds, and therefore, where applicable, Contractor and any subcontractors shall comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246 as amended by Executive Order 13672.

33. Notice to Parties

Whenever any notice, statement or other communication is required under this Contract, it shall be sent by first class mail or via an established courier / delivery service to the following addresses, unless otherwise specifically advised.

Notices to the State shall be sent to:

Emily Cranfill, Vendor Contract Manager
Indiana Government Center South
402 W. Washington Street, Room W468
Indianapolis, IN 46204

Notices to the Contractor shall be sent to:

Michelle Hammer
Grainger
1819 W. 16th Street
Indianapolis, IN 46202-2032

As required by IC §4-13-2-14.8, payments to the Contractor shall be made via electronic funds transfer in accordance with instructions filed by the Contractor with the Indiana Auditor of State.

34. Order of Precedence; Incorporation by Reference

Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) this Contract, (2) attachments prepared by the State, (3) RFP#18-038, (4) Contractor's response to RFP#18-038, and (5) attachments prepared by the Contractor. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

35. Ownership of Documents and Materials

- A. All documents, records, programs, applications, data, algorithms, film, tape, articles, memoranda, and other materials (the "Materials") not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor hereby transfers and assigns any ownership claims to the State so that all Materials will be the property of the State. If ownership interest in the Materials cannot be assigned to the State, the Contractor grants the State a non-exclusive, non-cancelable, perpetual, worldwide royalty-free license to use the Materials and to use, modify, copy and create derivative works of the Materials.
- B. Use of the Materials, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to the Materials developed for or supplied by the State and used to develop or assist in the services provided while the Materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the State full, immediate, and unrestricted access to the Materials and to Contractor's work product during the term of this Contract.

36. Payments

- A. All payments shall be made 35 days in arrears in conformance with State fiscal policies and procedures and, as required by IC §4-13-2-14.8, the direct deposit by electronic funds transfer to the financial institution designated by the Contractor in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC §4-13-2-20.
- B. The State Budget Agency and the Contractor acknowledge that Contractor is being paid in advance for the maintenance of equipment and / or software. Pursuant to IC §4-13-2-20(b)(14), Contractor agrees that if it fails to perform the maintenance required under this Contract, upon receipt of written notice from the State, it shall promptly refund the consideration paid, pro-rated through the date of non-performance.

37. Penalties/Interest/Attorney's Fees.

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC §5-17-5, IC §34-54-8, IC §34-13-1 and IC § 34-52-2-3.

Notwithstanding the provisions contained in IC §5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

38. Progress Reports

The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

39. Public Record

The Contractor acknowledges that the State will not treat this Contract as containing confidential information, and will post this Contract on its website as required by Executive Order 05-07. Use by the public of the information contained in this Contract shall not be considered an act of the State.

40. Renewal Option

This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC §5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

41. Severability

The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

42. Substantial Performance

This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

43. Taxes

The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

44. Termination for Convenience

This Contract may be terminated, in whole or in part, by the State, which shall include and is not limited to the Indiana Department of Administration and the State Budget Agency whenever, for any reason, the State determines that such termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date. For the purposes of this paragraph, the parties stipulate and agree that the Indiana Department of Administration shall be deemed to be a party to this agreement with authority to terminate the same for convenience when such termination is determined by the Commissioner of IDOA to be in the best interests of the State.

45. Termination for Default

- A. With the provision of thirty (30) days' notice to the Contractor, the State may terminate this Contract in whole or in part if the Contractor fails to:

1. Correct or cure any breach of this Contract; the time to correct or cure the breach may be extended beyond thirty (30) days if the State determines progress is being made and the extension is agreed to by the parties;
 2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
 3. Make progress so as to endanger performance of this Contract; or
 4. Perform any of the other provisions of this Contract.
- B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.
- C. The State shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.
- D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

46. Travel

No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by the Contractor for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

47. Indiana Veteran's Business Enterprise Compliance.

Award of this Contract was based, in part, on the Indiana Veteran's Business Enterprise ("IVBE") participation plan. The following IVBE subcontractors will be participating in this Contract:

IVB	PHONE	COMPANY NAME	SCOPE OF PRODUCTS and/or SERVICES	UTILIZATION DATE	PERCENT
Veteran	317/844-0510	Keltner Group, LLC	Keltner will have access to Grainger's supply chain inclusive of online catalog and sourcing capabilities	02/15/2019	10.000

A copy of each subcontractor agreement shall be submitted to IDOA within thirty (30) days of the request. Failure to provide any subcontractor agreement may also be considered a material

breach of this Contract. The Contractor must obtain approval from IDOA before changing the IVBE participation plan submitted in connection with this Contract.

The subcontractor and percentage above will remain fixed for the first full year of this Contract, at the discretion of the Vendor Contract Manager and IDOA Division of Supplier Diversity.

The Contractor shall report payments made to IVBE subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as "Pay Audit." IVBE subcontractor payments shall also be reported to IDOA as reasonably requested and in a format to be determined by IDOA.

48. Waiver of Rights

No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the State's review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall be and remain liable to the State in accordance with applicable law for all damages to the State caused by the Contractor's negligent performance of any of the services furnished under this Contract.

49. Work Standards

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

50. State Boilerplate Affirmation Clause

I swear or affirm under the penalties of perjury that I have not altered, modified, or changed the State's Boilerplate clauses (as defined in the *2016 OAG/ IDOA Professional Services Contract Manual*) in any way except for the following clauses which are named below:

- 31. Minority and Women's Business Enterprises Compliance
- 47. Indiana Veteran's Business Enterprise Compliance

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof. **Furthermore, if the undersigned has knowledge that a state officer, employee, or special state appointee, as those terms are defined in IC § 4-2-6-1, has a financial interest in the Contract, the Contractor attests to compliance with the disclosure requirements in IC § 4-2-6-10.5.**

Agreement to Use Electronic Signatures

I agree, and it is my intent, to sign this Contract by accessing State of Indiana Supplier Portal using the secure password assigned to me and by electronically submitting this Contract to the State of Indiana. I understand that my signing and submitting this Contract in this fashion is the legal equivalent of having placed my handwritten signature on the submitted Contract and this affirmation. I understand and agree that by electronically signing and submitting this Contract in this fashion I am affirming to the truth of the information contained therein. I understand that this Contract will not become binding on the State until it has been approved by the Department of Administration, the State Budget Agency, and the Office of the Attorney General, which approvals will be posted on the Active Contracts Database:

https://hr.gmis.in.gov/psp/pa91prd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST

In Witness Whereof, the Contractor and the State have, through their duly authorized representatives, entered into this Contract. The parties, having read and understood the foregoing terms of this Contract, do by their respective signatures dated below agree to the terms thereof.

W W GRAINGER, INC

Indiana Department of Administration

By: Benjamin E Nichols

By:

Title: Vice President, Government

Title:

Date: 02/14/19

Date:

Electronically Approved by: Department of Administration By: _____ (for) Lesley A. Crane, Commissioner <i>Refer to Electronic Approval History found after the final page of the Executed Contract for details.</i>	
Electronically Approved by: State Budget Agency By: _____ (for) Jason D. Dudich, Director <i>Refer to Electronic Approval History found after the final page of the Executed Contract for details.</i>	Electronically Approved as to Form and Legality: Office of the Attorney General By: _____ (for) Curtis T. Hill, Jr., Attorney General <i>Refer to Electronic Approval History found after the final page of the Executed Contract for details.</i>

Exhibit A: State of Indiana Market Basket Pricing

General Industrial Supplies Market Basket

Grainger Part Number	Detailed Product Description	Price
5330200W94303	STORAGE TANK 10,000 GAL VERTICAL	\$ 601.97
39UV48	Concrete Patcher,50 lb.,Pail	\$ 13.47
30D581	Motor Run Capacitor,3 MFD,2-3/4 In. H	\$ 0.86
167J02*TBD	Tap Bolt,5/16-18x3,GR5,ZP,PK350	\$ 0.05
5XM92	Jobber Drill Set,29 PC,HSS,135 Deg	\$ 24.41
6VEE3	Battery,18V,2.2Ah,NiCd,PK2	\$ 51.98
49XK75	Handheld Flashlight,Tactical,LED,Black	\$ 31.19
5LVA7	Assorted T-Shirt, Size: Varies, 25 lb. Box	\$ 9.10
S0603-0008	5/16" 316L GR 50 STAINLESS STEEL LIFTIN	\$ 11.40
5145	TEATHER U-BOLT NON-BREAKAWAY CLAMP	\$ 5.61
481P57	Multi-Gas Detector,4 Gas,-4 to 122F,LCD	\$ 279.14
15A936	Hand Stretch Wrap,Clear,1500 ft.L,18In W	\$ 8.28
2DFG4	Chicago Grip,Frgd,.50-.75 EHS Cable	\$ 391.05
6B950	High Cap.Pleated Filter,16x25x2,MERV8	\$ 1.74
2HYW6	Rigid Cell Filter,24X24X12 In.	\$ 29.41
156G37*TBD	Hex Cap Screw,3/4"-10,8"Steel	\$ 0.75
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
282157	Cylinder Propane Tank 100 lb.	\$ 144.34
41HH14*TBD	HHCS,5/16-18x3,Steel,Gr 5,ZP,PK300	\$ 0.06
48LU61	Air Conditioner,820 Watts,23-5/8 in.W	\$ 283.84
20PH35	CutOff Whl,A60TX,6"x.045"x7/8",10185rpm	\$ 1.16
13X030	Air/Hydraulic Service Jack,22 tons	\$ 278.51
6B924	High Cap.Pleated Filter,24x24x2,MERV8	\$ 2.01
408L68	Cordless Impact Wrench Kit,18.0 Voltage	\$ 355.83
3UN22	PSA Sanding Disc,AIO,Cloth,6 In,100 Grit	\$ 0.53
6B930	High Cap.Pleated Filter,20x25x2,MERV8	\$ 2.02
32TK09*TBD	Carriage Bolt,Zinc,3/8-16x3 L,Pk250	\$ 0.07
44YX78	SDS Cordless Rotary Hammer,Li-Ion,20V	\$ 284.02
13E913	Air Impact Wrench,3/4" Dr.,7000 rpm	\$ 180.05
2AUT4	Angle,Steel,1/4 In T,1 1/2 In Leg,6 Ft	\$ 15.96
19R718	Stretch Wrap Film,Clear,2000 ft.L,18In W	\$ 10.20
2DYG7	High Cap.Pleated Filter,20x20x4,MERV11	\$ 5.45
2MA10	Air Circulator,24",5450 cfm,115V	\$ 65.63
2VKG6	Wire Rope Clip,U-Bolt,1/8 In,304 SS	\$ 0.41
1ETU2	Sheet Stock,48" W,96 In L,0.500" T	\$ 259.37
45JL17	Laser Distance Meter,Indoor,165 ft.	\$ 106.66
4RWC8*TBD	Plow Bolt,Plain,5/8-11x3,Gr 8,PK175	\$ 0.30
48LU62	Air Conditioner,990 Watts,15-1/8 in.H	\$ 297.87
4YFZ2*TBD	Reciprocating Saw Blade,8 In. L,PK25	\$ 1.10

6B930	High Cap.Pleated Filter,20x25x2,MERV8	\$ 2.02
5PAY7	Expanded Sheet,Flat,Carbon,8x4 ft,3/4-#9	\$ 37.56
13X476	Standard Platform Truck,2400 lb.,60 In L	\$ 218.01
2ZE57	Pallet Jack,Quick Lift,5500 lb Cap	\$ 164.59
5LE25*TBD	Standard Battery,AAA,Alkaline,PK24	\$ 0.11
408L70	Cordless Impact Wrench Kit,18.0 Voltage	\$ 352.74
21C077	Std Cap.Pleat Filter,8-7/8x61-1/8x1	\$ 2.73
8EJP2	U.S. Cold Patch,50 lb.,Bag	\$ 8.77
5LE23*TBD	Standard Battery,AA,Alkaline,PK24	\$ 0.13
3GYA9	Sheet Stock,48" W,96 In L,0.236" T	\$ 153.19
165W43	Pleated Fltr,HC,MERV8,24"x24"x2"	\$ 3.21
4DAV8*TBD	Washer,5/16" Bolt,Nylon,47/64" OD,PK40	\$ 0.01
3CTU4	Steel Strapping,1961 ft. L,20 mil	\$ 55.40
2PYZ2	Cordless Combo Kit,18.0 V,2 Tools,2 Batt	\$ 180.62
29WR42*TBD	Hook and Loop Fastener,12 in.,Black,PK6	\$ 4.10
42JR31*TBD	Lock Nut,5/8-11,Gr C,Steel,Pho,PK250	\$ 0.15
6B937	High Cap.Pleated Filter,20x20x2,MERV8	\$ 1.81
2TUK9	Standard Platform Truck,2200 lb.,60 In L	\$ 185.94
1CFW1*TBD	Plow Bolt,Plain,5/8-11x3-1/2,Gr 8,PK5	\$ 0.38
11A170	Cordless Drill/Driver Kit,20.0V,1/2in.	\$ 157.52
UQ4772020	PROPEX EP COUPLING 2INPEX X 2INPEX 1	\$ 19.44
4YU32	Motor,PSC,1/30 HP,1100 RPM,115V,42Y,OAD	\$ 49.72
5LE24*TBD	Standard Battery,9V,Alkaline,PK12	\$ 0.62
358182100254*TBD	3/8" X 10" GRADE 5 HCR ROUND WASHER HEAD STAR DRIVE POWERLAG® LAG	\$ 0.48
108381	CHAMPION - MOYER DIEBEL 108381 ROD	\$ 28.56
2VKH7	Wire Rope Clip,U-Bolt,3/8 In,304 SS	\$ 2.03
6B950	High Cap.Pleated Filter,16x25x2,MERV8	\$ 1.74
481H95	Cordless Hammer Drill Kit,18.0V,1/2 in.	\$ 65.48
11A177	Cordless Drill/Driver Kit,18.0V,1/2in.	\$ 78.45
10D925	Deep Cut Portable Band Saw,11.0A	\$ 240.87
4HY63	Lock Box,Surface Mount,5 Keys	\$ 13.03
1LE11*TBD	Hex Lag Screw,Zinc,3/8x7 L,PK50	\$ 0.24
2LBA5	Air Circulator,30",6100 cfm,115V	\$ 99.09
1VCE8	Air Circulator,24 In,6200 cfm,115V	\$ 99.25
207626	14.7"D 48"H 100 LB STEEL PROPANE TANK	\$ 126.30

PZK-4M	Valve Rebuild Kit	\$ 135.42
48XY79	Handheld Flashlight,General Purpose,UV	\$ 10.65
44YY19	Stepladder,Fiberglass,IA,6 ft., 300 lb.	\$ 44.96
1ETT5	Sheet Stock,48", W,96 In L,0.060", T	\$ 36.49
4YX97	Pallet Jack,27x48,Cap 5500 lb.	\$ 175.50
48LU60	Window Air Conditioner,Wht,640W,14in.H	\$ 187.54
39UK56	Air Circulator,12,550cfm,115V,36in,Steel	\$ 141.05
32TK11*TBD	Carriage Bolt,Steel,PK200	\$ 0.12
4YUX7	High Cap.Pleated Filter,16x25x2,MERV10	\$ 2.82
10W861	Step Beam,96Lx3-3/16H,Orange	\$ 19.97
3ELX9	Electronic Ball Valve,Polyprop,1 In.	\$ 162.07
3W142	Stepladder,Fiberglass,8 ft. H,300 lb Cap	\$ 70.48
1WG32	Square Point Shovel,48 In.Handle,14 ga.	\$ 12.33
5WRR1*TBD	Chain,Grade 80,3/8 Size,10 ft.,7100 lb.	\$ 2.31
4YVC3	Rigid Cell Filter,20x24x12 In.	\$ 29.05
5W007	Container Dolly,250 lb.,Fits 55 gal.	\$ 18.49
4XLE2	Portable Blower,1HP,120 V,3 speed	\$ 127.36
1AVK5	Power Bit,SAE,1/4",Hex,T10,2"	\$ 0.61
39RW10	Cordless Drill/ Driver,Pistol,2.0Ah	\$ 169.59
6B924	High Cap.Pleated Filter,24x24x2,MERV8	\$ 2.01
2GTG3	Parking Curb,72 In,Yellow,Polyethylene	\$ 26.62
4W329	Basket Truck,12 Bu. Cap.,Blue,36 In. L	\$ 90.09
3918108	PRISON MODEL 603 FLUSHOMETER	\$ 137.57
53KG63	Insulated Tool Set,11 Pieces,1000VAC Max	\$ 112.11
40GL90	Water Nozzle,Blk,2.5to5.0gpm,5-1/2 in. L	\$ 4.73
21EW68	Mini Tank Water Heater,Electric,120 V	\$ 99.51
2PWX5*TBD	Banker Box,Ltr/Lgl,450Lb,PK12	\$ 2.43
164X09*TBD	Carriage Bolt,3/8-16 x 5 In,Pk160	\$ 0.11
22UT18*TBD	Fiber Disc,7 In D,36 G,PK10	\$ 0.72
3W127	Bin Unit,72 Bins,33-3/4 x 12 x 42 In.	\$ 81.19
6B950	High Cap.Pleated Filter,16x25x2,MERV8	\$ 1.74
5LE21*TBD	Standard Battery,D,Alkaline,PK12	\$ 0.50
425P80	Interchangeable Core,Satin Chrome,7 Pins	\$ 15.30
6A379	Marking Wand,34" L	\$ 12.23
4YFZ6*TBD	Reciprocating Saw Blade,3/4 In. W,PK25	\$ 0.83
33N555	Cut Off Wheel,5 D,0.040 T,5/8-11	\$ 2.36
1GC91	Drum Cradle,Cap 600 Lb,4 Rigid Casters	\$ 34.64
45NC78	Asphalt Lute,36in.L Handle,Aluminum	\$ 35.60
9MZK1	Pleated Air Filter,42-1/8 x 8-7/8 x 1In	\$ 8.81
2VHU1	Wypall Wiper Rolls,Hydroknit(R)	\$ 39.29

25DU80	Oscillating Tool Kit,20V,21000	\$ 161.98
5LG75*TBD	Scouring Pad,9-1/2"L,6"W,Nyln,Grn,PK10	\$ 0.21
38W365*TBD	Standard Battery,AA,Alkaline,PK24	\$ 0.13
5PAY7	Expanded Sheet,Flat,Carbon,8x4 ft,3/4-#9	\$ 37.56
2VRN2	Concrete Repair,5 gal.,Pail	\$ 99.48
2HYH5	Air Circulator,18 In,2966 cfm,115V	\$ 34.70
5UTH9	Utility Cart,500 lb. Load Cap.	\$ 56.75
3P782	Inline Filter,Ice Maker,8-3/8x2-1/4In	\$ 18.77
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
21RV48	Battery,20V,4.0Ah,Li-Ion,PK2	\$ 136.48
20K865	Mouse Trap,2-1/2 In. L,5 In. W,PK2	\$ 2.27
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
36C297*TBD	Blade 6 X3/4X035X14	\$ 0.83
4PY74	V-Bank Air Filter,24x24x12,MERV 13	\$ 44.34
48NU02	Creeper,43 in. L,400 lb.,24 in. W,Padded	\$ 26.62
4GWC8	Pallet Rack Frame,48W x 48D x 96H,Green	\$ 65.30
2MVU8	Wheelbarrow,Poly,10 Cu. Ft.,Pneumatic	\$ 70.38
42JT14*TBD	Lock Nut,5/8-11,Gr 8,Steel,ZY,PK10	\$ 0.10
48J541	Hooded Jacket,Cotton,Brown Duck,2X	\$ 31.24
1CH72	Trigger Sprayer,9-1/4 In. L,Gray	\$ 0.22
53PN74	Socket Set,1/2", 3/8",SAE/Metric,127pcs	\$ 68.92
53WM34	Hole Saw Arbor,Steel,3/8" Shank Size	\$ 3.54
15X751*TBD	Seismic Wedge Anchor,SS,3/8" D,5" L,PK50	\$ 1.74
48RC54*TBD	Chain,5 ft L,Working Load Limit 1200 lb.	\$ 1.43
11A179	Cordless Reciprocating Saw Kit, 18 Volt	\$ 182.74
31TN91	Window Air Conditioner,5200 BtuH,115V	\$ 112.39
2VHP8	Disposable Wipes,Hydroknit(R)	\$ 8.94
1CGB8*TBD	Plow Bolt,Plain,5/8-11x2-1/2,Gr 8,PK5	\$ 0.39
1AUY9	Chop Saw,14 In. Blade,1 In. Arbor	\$ 62.32
6NXR7	Wheel Nut,Steel,M22	\$ 5.34
1DJV2	Binder Chain,L20Ft,L6600Lb,Clevis Grab	\$ 32.03
4YVC5	Rigid Cell Filter,12x24x12 In.	\$ 24.78
36T707	Swivel Pneumatic Caster,12 in.,625 lb.	\$ 87.67
52CD16	Square Point Shovel,Straight Handle	\$ 7.44
39FP21	Wrdrb Lockr,Lvrd,1 Wd,2 Tier,Medium Gray	\$ 74.83
4HXX3	Clevis Hanger,Adjustable,Pipe Sz 2 In	\$ 0.55
5W915	Rigid Cell Air Filter,24X24X12 In.	\$ 31.71
33JX16	Jobber Drill Bit, 1/2in, HSS, 135 Deg	\$ 2.44
2UKJ4	Battery,12VDC,7Ah,0.187" Faston	\$ 9.16
6B930	High Cap.Pleated Filter,20x25x2,MERV8	\$ 2.02
LMR7144MH	7.5V HIGH CAPACITY NIMH BATTERY,	\$ 35.98
6B937	High Cap.Pleated Filter,20x20x2,MERV8	\$ 1.81
1YFL7*TBD	Quick Change Disc,AIO,3in,36G,TS,PK50	\$ 0.37
4YVC2	Rigid Cell Filter,20X20X12 In.	\$ 25.73
5YE11*TBD	Channel Spring Nut,3/8 In,Silver,PK25	\$ 0.12

25DU80	Oscillating Tool Kit,20V,21000	\$ 161.98
5LG75*TBD	Scouring Pad,9-1/2"L,6"W,NylIn,Grn,PK10	\$ 0.21
38W365*TBD	Standard Battery,AA,Alkaline,PK24	\$ 0.13
5PAY7	Expanded Sheet,Flat,Carbon,8x4 ft,3/4-#9	\$ 37.56
2VRN2	Concrete Repair,5 gal.,Pail	\$ 99.48
2HYH5	Air Circulator,18 In,2966 cfm,115V	\$ 34.70
5UTH9	Utility Cart,500 lb. Load Cap.	\$ 56.75
3P782	Inline Filter,Ice Maker,8-3/8x2-1/4In	\$ 18.77
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
21RV48	Battery,20V,4.0Ah,Li-Ion,PK2	\$ 136.48
20K865	Mouse Trap,2-1/2 In. L,5 In. W,PK2	\$ 2.27
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
36C297*TBD	Blade 6 X3/4X035X14	\$ 0.83
4PY74	V-Bank Air Filter,24x24x12,MERV 13	\$ 44.34
48NU02	Creeper,43 in. L,400 lb.,24 in. W,Padded	\$ 26.62
4GWC8	Pallet Rack Frame,48W x 48D x 96H,Green	\$ 65.30
2MVU8	Wheelbarrow,Poly,10 Cu. Ft.,Pneumatic	\$ 70.38
42JT14*TBD	Lock Nut,5/8-11,Gr 8,Steel,ZY,PK10	\$ 0.10
48J541	Hooded Jacket,Cotton,Brown Duck,2X	\$ 31.24
1CH72	Trigger Sprayer,9-1/4 In. L,Gray	\$ 0.22
53PN74	Socket Set,1/2", 3/8",SAE/Metric,127pcs	\$ 68.92
53WM34	Hole Saw Arbor,Steel,3/8" Shank Size	\$ 3.54
15X751*TBD	Seismic Wedge Anchor,SS,3/8" D,5" L,PK50	\$ 1.74
48RC54*TBD	Chain,5 ft L,Working Load Limit 1200 lb.	\$ 1.43
11A179	Cordless Reciprocating Saw Kit, 18 Volt	\$ 182.74
31TN91	Window Air Conditioner,5200 BtuH,115V	\$ 112.39
2VHP8	Disposable Wipes,Hydroknit(R)	\$ 8.94
1CGB8*TBD	Plow Bolt,Plain,5/8-11x2-1/2,Gr 8,PK5	\$ 0.39
1AUY9	Chop Saw,14 In. Blade,1 In. Arbor	\$ 62.32
6NXR7	Wheel Nut,Steel,M22	\$ 5.34
1DJV2	Binder Chain,L20Ft,L6600Lb,Clevis Grab	\$ 32.03
4YVC5	Rigid Cell Filter,12x24x12 In.	\$ 24.78
36T707	Swivel Pneumatic Caster,12 in.,625 lb.	\$ 87.67
52CD16	Square Point Shovel,Straight Handle	\$ 7.44
39FP21	Wrdrb Lockr,Lvrd,1 Wd,2 Tier,Medium Gray	\$ 74.83

4HXX3	Clevis Hanger,Adjustable,Pipe Sz 2 In	\$ 0.55
5W915	Rigid Cell Air Filter,24X24X12 In.	\$ 31.71
33JX16	Jobber Drill Bit, 1/2in, HSS, 135 Deg	\$ 2.44
2UKJ4	Battery,12VDC,7Ah,0.187" Faston	\$ 9.16
6B930	High Cap.Pleated Filter,20x25x2,MERV8	\$ 2.02
LMR7144MH	7.5V HIGH CAPACITY NIMH BATTERY,	\$ 35.98
6B937	High Cap.Pleated Filter,20x20x2,MERV8	\$ 1.81
1YFL7*TBD	Quick Change Disc,AIO,3in,36G,TS,PK50	\$ 0.37
4YVC2	Rigid Cell Filter,20X20X12 In.	\$ 25.73
5YE11*TBD	Channel Spring Nut,3/8 In,Silver,PK25	\$ 0.12
38WK28*TBD	HHCS,1/2-13x9-1/2,5 Steel,Gr 5,Plain,PK5	\$ 0.52
1CMP7	Stepladder,Fiberglass,6 ft. H,300 lb Cap	\$ 49.86
1ANB7	Battery,123,Lithium,3V	\$ 1.33
36UV49*TBD	Blank Tag,1-3/32inH x 1-3/32inW,PK100	\$ 0.19
1GKL7	PSA Sanding Disc,AIO,Cloth,6in,100 Grit	\$ 0.39
40X651*TBD	Ac36 Slv 48Mmx54.8M Ipg,Pk24	\$ 3.78
102-041-4992-MP-40	13-3/8"HX 65-1/2"W 1"D 2-PLY PLEATED AIR	\$ 12.69
31TR39	Electric Wall Heater,BtuH 5120,120V	\$ 82.31
4YCR4	Cleaning Wipes,Citrus,9-1/2 x 12 In.	\$ 7.48
11A169	Cordless Combo Kit,20.0 V,2 Tools,2 Batt	\$ 199.59
54EN22*TBD	Polypropylene Carton Sealing Tape, Hot Melt Resin Adhesive, 48mm X 100m, 36 PK	\$ 0.52
6B937	High Cap.Pleated Filter,20x20x2,MERV8	\$ 1.81
33JX08	Jobber Drill Bit, 3/8in, HSS, 135 Deg	\$ 1.19
2T697	Dial Pocket Thermometer,5 In L	\$ 1.52
1EJY8	Heavy Duty Degreaser,Size 1 gal.	\$ 9.55
1CFW4*TBD	Plow Bolt,Plain,5/8-11x4-1/2,Gr 8,PK5	\$ 0.67
49P406	Decking,SteelWire,Pw dr Coat,46"W,48"D	\$ 13.58
38Z894	Tie Down Strap,Ratchet,Poly,27 ft.	\$ 41.30
5LE26	Lantern Battery,Alkaline,6V,Spring Term	\$ 3.75
44YY61	Stepladder,Fiberglass,IA,10 ft.	\$ 87.21
5JY57*TBD	Mach Screw,Flat,12-24 x 1/2 L,PK25	\$ 0.11
6B923	High Cap.Pleated Filter,24x24x4,MERV8	\$ 4.18
21EK79*TBD	Standard Battery,9V,Alkaline,PK12	\$ 0.64
31TR33	Port. Elec. Heater,1500 W,5120 BtuH	\$ 26.33
6B930	High Cap.Pleated Filter,20x25x2,MERV8	\$ 2.02
2VJD1	Disposable Wipes,Double Re-Creped	\$ 3.89
6B924	High Cap.Pleated Filter,24x24x2,MERV8	\$ 2.01
6B950	High Cap.Pleated Filter,16x25x2,MERV8	\$ 1.74
36UV49*TBD	Blank Tag,1-3/32inH x 1-3/32inW,PK100	\$ 0.20
34EL75	Hiking Boots,Men,9M,Lace Up,Brown,PR	\$ 49.46

F2142	1/4" X 2" HR A-36 STEEL FLAT C-36/ 2 -31	\$ 18.25
39K825	Metal Shelving,Closed,87"H,8 Shelf	\$ 121.88
42JY91*TBD	HHCS,5/16-18x3,SS,18-8 (304),Plain,PK300	\$ 0.11
1YPC6	Scoop,64 Oz,304 Stainless Steel	\$ 23.49
5YE59*TBD	Channel Square Washer,3/8",Silver,PK25	\$ 0.15
15A933	Hand Stretch Wrap,Clear,2000 ft.L,12In W	\$ 5.65
49NW06	Tip Tape Measure,25 ft. Blade L.,Blk/Red	\$ 4.88
29JA02	Replacement Battery,SpeedClean,CJ-125	\$ 25.55
6B943	High Cap.Pleated Filter,18x24x2,MERV8	\$ 2.10
6B950	High Cap.Pleated Filter,16x25x2,MERV8	\$ 1.74
1WG31	Round Point Shovel,48 In.Handle,14 ga.	\$ 12.16
Multiple	Assortment of 66 SKU's to meet 2915 assortment.	\$ 146.06
5ML65	Hydraulic Service Jack,3 tons	\$ 107.13
6B956	High Cap.Pleated Filter,16x20x2,MERV8	\$ 1.56
4GA69	Battery,14.4V,1.7Ah,NiCd	\$ 40.31
1CMW3	Extension Ladder,Fiberglass,16 ft.,IA	\$ 87.69
4FTH2	Angle Grinder,4-1/2",7 A,11,000 RPM,120V	\$ 44.83
446M68	Deadbolt,Cylindrical,Oil Rubbed Bronze	\$ 112.20
6X25IWRC34	FT 6X25 IWRC WIRE ROPE 3/4IN	\$ 1.43
1DJT2*TBD	Chain,Grade 70,3/8 Size,20 ft.,6600 lb.	\$ 1.23
10G165	Wheelbarrow,Poly,8 Cu. Ft.,Pneumatic	\$ 71.90
40JD52	Master Tool Set,SAE and Metric,70-Piece	\$ 38.21
54DG32	Ratcheting Wrench Set,SAE,13 pcs.	\$ 31.19
4FGR9	Threaded Rod,Carbon Steel,3/8-16x10 ft	\$ 1.71
1XJT8	Clevis Hanger,1 1/2 In,610 lb Max Load	\$ 0.45
6B933	High Cap.Pleated Filter,20x24x2,MERV8	\$ 1.92
5GUV3	Portable Band Saw Blade,Bimetal	\$ 2.56
5DMT9	Utility Container,44 gal.,Gray	\$ 17.60
1ATZ7	CutOff Wheel,Saitech,4-1/2"x.045"x7/8"	\$ 0.89
36T704	Rigid Pneumatic Caster,12 in.,625 lb.	\$ 43.32
20PH30	CutOff Wheel,A60TZ,4-1/2"x.040"x7/8"	\$ 0.47
1MN79	Fire Barrier Pillow,9 In. L,4 In. W	\$ 7.41
1WG36	Seal-Coated Wood Bow Rake, 3 In.Tines	\$ 10.66
31HJ75	Hand Towels,10-1/2" x 12-1/4" ,Citrus	\$ 6.45
9UDW2	Folding Table,72x30x29-1/2,Speckled Gray	\$ 42.97
1YB12	Hex Cap Screw,1-1/8"-7,5"SS	\$ 5.42
1VLX5	Adapter,Wrot Copper,2-1/2" Tube,CxMNPT	\$ 21.45
21C057	Std Cap.Pleat Filter,8-7/8x33-5/8x1	\$ 2.46

Lighting & Electrical Supplies Market Basket

Grainger Part Number	Detailed Product Description	Price
53CE33	LED Replacement Lamp,450 lm,6W	\$ 2.78
1FYE2	HID BAL Kit,High Pressure Sodium,1000W	\$ 41.29
35-963660-08	HPS Ballast	\$ 176.81
4PL16	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 1.03
1A034	HID BAL Kit,High Pressure Sodium,400W	\$ 49.78
13Y538	IEC Magnetic Contactor,240VAC,9A,1NC,3P	\$ 12.17
6V764	HID BAL Kit,High Pressure Sodium,1000W	\$ 42.19
3HXH8	Circuit Breaker,20A,1P,10kA,120VAC	\$ 4.00
3APT6	High Pressure Sodium Lamp,ED18,400W	\$ 4.34
8PK79	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 0.95
21YH27	LED Wall Pack,35W,120-277V,2000L	\$ 96.32
2V754	High Pressure Sodium Lamp,E25,1000W	\$ 16.24
448U14	Fixture,Prismatic,Roadway,400 W	\$ 161.49
2V754	High Pressure Sodium Lamp,E25,1000W	\$ 13.01
53VR57	LED Floodlight,13.2W,3000K,3-3/4" L	\$ 23.69
1FYD8	HID Ballast Kit,Metal Halide,1000 W	\$ 57.92
3JK41	HID Lamp,BT37,1000W	\$ 17.02
31LA80	LED Recessed Troffer,3500K,40W,120-277V	\$ 59.54
3HNG3	Fixture,Wall,150 W,120-277V	\$ 89.89
3VK11	Fluorescent Lamp,T8,Very Cool,5000K	\$ 0.98
4PL16	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 1.03
24W596	Fluorescent Linear Lamp,T12,Cool,4100K	\$ 1.22
4PL15	Fluorescent Linear Lamp,T8,Neutral,3500K	\$ 1.29
3A531	HID Ballast Kit,Metal Halide,175W	\$ 30.24
447Z57	4' 19W LED 35120Lamp	\$ 6.05
5YB47	Fixture,Roadway,250w	\$ 79.49
35-963660-10	HPS Ballast	\$ 186.38
2A225	Electrical Tape,7 mil,3/4" x 66 ft.,Blk	\$ 0.94
1VN21	Electronic Ballast,T8 Lamps,120/277V	\$ 4.45
1XUP6	Extension Cord,25 ft.	\$ 8.91
1VN22	Electronic Ballast,T8 Lamps,120/277V	\$ 9.13
2MZJ8	Recessed Troffer,F32T8,56W,120-277V	\$ 22.81
5PTN6	Electronic Ballast,T8 Lamps,120/277V	\$ 7.94
2V712	Quartz Metal Halide Lamp,ED28,250W	\$ 9.05

4LUW4	Dust Resistant Fixture,T8,56W,120-277V	\$ 39.71
48H448	Fluorescent High Bay Fixture,T8,226W	\$ 56.61
2YGG9	Fluorescent High Bay Fixture,T5HO,204W	\$ 73.31
2A227	Elctrical Tape,8.5 mil,3/4" x 66 ft.,Blk	\$ 1.07
449V01	LED Lamp,14.0W,1800 lm,Frosted Finish	\$ 4.79
4PL16	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 1.03
4MA79	Room Air Cond Mtr,PSC,OAO,1075 RPM	\$ 54.65
48H439	LED Recessed Troffer,4000K,39W,120-277V	\$ 69.16
1C419	Incand Sealed Beam Floodlight,PAR46,150W	\$ 10.70
2MCX5	Electronic Ballast,T8 Lamps,120/277V	\$ 6.99
1A032	HID BAL Kit,High Pressure Sodium,150W	\$ 34.75
24C972	Wire Termnl Kit,With Crimp Tool,Insulatd	\$ 39.10
6XT98	Fluorescent Linear Lamp,T8,Neutral,3500K	\$ 1.09
5ZG95*TBD	Building Wire,THHN,4/0 AWG,Black,500ft	\$ 3.09
6AA18	Fluorescent High Bay Fixture,T5HO,360W	\$ 61.24
4PL16	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 1.03
449V01	LED Lamp,14.0W,1800 lm,Frosted Finish	\$ 4.79
416339	BC100Q/CL ESN 12/1PK	\$ 4.39
4X315*TBD	Female Disconnect,Blue,16-14AWG,PK100	\$ 0.04
1V173	Fluorescent Linear Lamp,T8,Cool,4100K	\$ 0.86
5MD17	Cable,Cat 5e,24 AWG,1000 ft,Blue	\$ 82.78
19MH99	Screw-In CFL,23W,Spiral,Medium	\$ 1.57
9XZY7	Screw-In CFL,Non-Dimmable,2700K,42W	\$ 2.92
449U99	LED Lamp,14.0W,1700 lm,Frosted Finish	\$ 4.73
10K412*TBD	Female Disconnect,Blue,16-14AWG,PK10	\$ 0.03
454X24	LED Linear Strip Light,5535 lm	\$ 94.39
3EB10	Extension Cord,50 ft., 12/3 ga.	\$ 17.21
34AZ91	Large 4Ft Fluorescent Lamp Recycling Box	\$ 47.37
4FRE7*TBD	Splice Connector,Heat Shrink,Blue,PK25	\$ 0.10
5RXF4	Booster Cable,HD,2 AWG,20 Ft,Parrot Jaw	\$ 10.45

20KZ55	Metl Clad,12/3 AWG,250 ft.,20A,0.505"O.D	\$ 173.38
20XE70	Photocontrol,105 to 305VAC,Turn-Lock	\$ 8.21
49ZC10	LED Linear Lamp,T8,18.0W,Cool	\$ 3.87
48H448	Fluorescent High Bay Fixture,T8,226W	\$ 56.61
1FD58	Extension Cord,25 ft.,Yellow,16/3 ga.	\$ 4.91
6XH80	Motor,1/6 HP,850 RPM,115/230V	\$ 222.15
5XN44	Ceramic Metal Halide Lamp,BD17,100W	\$ 15.07
1PHA4	Plug-In CFL,32W,Dimmable,3500K,17,000 hr	\$ 2.09
2VGG1*TBD	Metal Clad Armord Cbl,10/3 AWG,0.565"O.D	\$ 1.19
3LE31	HID Ballast Kit,Metal Halide,70 W	\$ 32.29
2ETT8	U-Shaped Fluorescent Lamp,Neutral,3500K	\$ 3.00
45MR51	Decorative Ceiling Fan,120V	\$ 55.69
3APT5	High Pressure Sodium Lamp,ED18,250W	\$ 8.07
4FRE8*TBD	Splice Connector,Heat Shrink,Red,PK25	\$ 0.10
FPBTCAL	FLOORPORT FLANGELESS CUTOUT BLANK COVER	\$ 77.00
52XJ20	LED Lamp,A19 Bulb Shape,5.9W,500 lm	\$ 1.66
11X423	Plg-In GFCI,Ylw,15A,5-15P,Rnproof,125VAC	\$ 12.96
36J166*TBD	Cable Tie,Standard,14.5 in.,Blk,PK100	\$ 0.03
4PL15	Fluorescent Linear Lamp,T8,Neutral,3500K	\$ 1.29
1A029*TBD	HID Ballast Kit,Metal Halide,400 W	\$ 6.28
52XH97	LED Lamp,Cylindrical,Polycarbonate,PK2	\$ 7.34
39EA23	GFCI Receptacle,20A,125VAC,5-20R,Ivory	\$ 9.45
4EUC1	Schedule 40 Conduit,2 In.,10 ft. L,PVC	\$ 6.37
40L094	Vapor Tight Fixture,2Lamp,64W,Poly,4"	\$ 60.40
1FYF1	Battery Recycling Kit,12-39/64"x10-23/64"	\$ 63.63
3KF18*TBD	Male Disconnect,Red,22 to 18 AWG,PK50	\$ 0.03
1PGX9	Plug-In CFL,26W,Non-Dim,2700K,10,000 hr	\$ 1.02
1PGX9	Plug-In CFL,26W,Non-Dim,2700K,10,000 hr	\$ 1.02
36J154*TBD	Cable Tie,Standard,11.8 in.,Black,PK100	\$ 0.01
5AE20	Fluorescent Linear Lamp,T5,Cool,4100K	\$ 2.17
1FD57	Extension Cord,100 ft., 12/3 ga.	\$ 33.53
2KGD7	Outlet Strip,20A,6 Outlet,15 ft,Gray	\$ 57.10
22MX11	LED Lamp,A15,E26,4W,2700K	\$ 3.42
1VN21	Electronic Ballast,T8 Lamps,120/277V	\$ 4.45
54PL81	Photocontrol,3" L x 3" W x 2" H	\$ 19.98

3EY66	Wire Guard,F/L Industrial Fixture	\$ 5.66
33H578	Lamp,F35/CX41/U6/WM	\$ 1.44
3HXJ4	Circuit Breaker,30A,1P,10kA,120VAC	\$ 3.83
48TL77	LED Linear Luminaire,4000K,3450lm,48in.	\$ 32.91
3D438	Floor Box Cover,Rectangular,1-Gang	\$ 17.89
5WJC1	Room Air Cond Mtr,PSC,OAO,1075 RPM	\$ 33.71
1ZCP6	Mounting Bracket,Steel	\$ 9.46
54DY13	Receptacle,Black,For RV Use	\$ 6.61
49WJ33	LED Retrofit Kit,7-19/64 L,Lumens 880	\$ 5.47
24C152	Flexing Power Cable,106 in O.D.,Black	\$ 5.23
T8-U-S-W	2 LAMP WIRING HARNESS WITH SOCKET	\$ 3.66
20VE44	Occupancy Sensor,PIR/Micro,2000sq ft,Wht	\$ 44.55
2MCX5	Electronic Ballast,T8 Lamps,120/277V	\$ 6.99
34J611	13 Watt 120 Volt 2-Pin 35K	\$ 0.68
1D343	Plug In Circuit Breaker,20A,1P,10kA,120V	\$ 26.97
1PHA5	Plug-In CFL,32W,Dimmable,4100K,17,000 hr	\$ 2.12
2V393	Incandescent Light Bulb,A21,100W	\$ 1.06
21DG42*TBD	Butt Splice Connector,22-18 AWG,Red,PK5	\$ 0.02
5V658	Quartz Metal Halide Lamp,ED28,400W	\$ 9.68
5TB70	Ceramic Metal Halide Lamp,T15,250W	\$ 11.45
6XT94	Quartz Metal Halide Lamp,ED17,150W	\$ 7.51
4LUW4	Dust Resistant Fixture,T8,56W,120-277V	\$ 39.71
12T281*TBD	Screw-In CFL,Dimmable,10,000 hr.,PK2	\$ 1.49
1GAH9	Digital Multimeter,600V,40 MOhms,10A	\$ 54.64
4UKZ3	Fluorescent High Bay Fixture,T8,146W	\$ 42.77
5YA44	Linear Fluorescent Battery Pk,450 to 550	\$ 27.96
23MD11	Screw-In CFL,25W,Medium	\$ 2.59

Plumbing Supplies Market Basket

Grainger Part Number	Detailed Product Description	Price
10A644*TBD	PEX Tubing,White,2 in,100 ft,100 psi	\$ 45.73
20K876	Brass Ball Valve,Inline,FNPT,1 in	\$ 6.51
10A642*TBD	PEX Tubing,White,1-1/4 in,100 ft,100 psi	\$ 22.31
5P213	Repair Kit,Toilet,3.5 GPF	\$ 7.40
4UA76	Self Priming Pump,2 HP,Cast Iron	\$ 214.91
5E547	Showerhead	\$ 49.00
2RDZ9	Quiet Design AirCirc,30",7450 cfm,115V	\$ 70.78
4UA76	Self Priming Pump,2 HP,Cast Iron	\$ 214.91
31TN76	PTAC Air Conditioner,14500 BtuH,230/208V	\$ 449.28

19C786	Time-Trol Controller,Std,Washfountains	\$ 205.68
10A587	Adapter,Low Lead Brass,1" Pipe	\$ 4.41
10A520	Adapter,Low Lead Brass,2" Tube	\$ 25.89
TBD	HYPRO 9304C CAST IRON AGRICULTURAL HYDRAULIC PUMP 210 gpm	\$ 605.27
30VX42	PEX Tubing,White,1 in Pex Size	\$ 4.75
Q4752275	2" 2" 3/4" PROPEX PLASTIC EP REDUCING TE	\$ 30.01
29JA67	Copper Tube, L,4". Pipe Size,10 ft. L	\$ 256.68
24VL26	Spindle,For Symmons Safetymix	\$ 59.00
10A551	Elbow,90 deg.,Polyalloy,3/4" x 3/4" Tube	\$ 0.62
19F857	LL Brass Ball Valve,Inline,PEX,3/4"	\$ 2.15
3RA70	Faucet,Metering,Push,1/2 In. MIPS	\$ 146.78
3F330	Insulated Flexible Duct,180F,Polyester	\$ 17.91
50876407*TBD	Victory Half Door Gasket	\$ 530.46
10A659	PEX Tubing,Red,1/2 in,300 ft,100 psi	\$ 51.90
10A650	PEX Tubing,Blue,1/2 in,300 ft,100 psi	\$ 51.90
F7041250	Tube Pipe Support	\$ 9.31
4LW51	Repair Kit,Toilet,1.6 GPF	\$ 10.08
6GD15	Brass Ball Valve,Inline,FNPT,3/4 in	\$ 3.97
46Z649	Dehumidifier,50 Pint,115V	\$ 167.54
2P888	Toilet Seat,Open Front,18-3/8 In	\$ 10.70
330043	Pneumatic Timer	\$ 139.11
4NU82	Regulator,Pressure DPilot	\$ 210.35
PML11XXHOS	Metering Valve PM1	\$ 199.05
34J920	Bracket Drinking Fountain	\$ 163.68
10L942	High Capacity Thermostatic Actuator	\$ 14.29
Q4751337	1-1/4" X 1-1/4" X 3/4" PLASTIC REDUCING	\$ 6.95
21YC31	Ventilation Duct,12 in x 25 ft,Blk/Ylw	\$ 62.65
5PZF4	Single-Lever Handle,For Symmons Faucets	\$ 5.12
30L035	Pump Bearing Assy	\$ 86.28
24VL06	Valve Seat,For Symmons Temptrol Valve	\$ 29.94
161X97	Electric Actuator,24V,35 lb.-in.	\$ 234.77
53GK26	1.67 gpm Replacement Filter Cartridge, Fits Brand: Everpure, 0.5 Micron Rating	\$ 32.57
F2921000	1" X 20 FT RED PEX AQUAPEX TUBING	\$ 1.64
34J360	Digital Psychrometer,3 Lbs	\$ 66.27
3YU70	Sump Pump,1/3 HP,1-1/4" NPT,10 ft.	\$ 62.15
2XU22	Sensor Assembly,Toilets	\$ 134.73
10A505	Clamp Ring,Copper,2" Tube	\$ 1.87
10A582	Adapter,Low Lead Brass,1/2" Tube	\$ 2.68
600956N98	SINGLE TEMP SOLENOID VALVE	\$ 77.97
4LW39	Manual Flush Valve,Toilet,1.6 gpf	\$ 93.58

53RJ37	Dehumidifier,Cap./24 hr. 90 RH 50 pt.	\$ 146.02
032046-001	Valve Body and Stem Assembly	\$ 46.04
10A518	Adapter,Low Lead Brass,1-1/4" Tube	\$ 7.84
31TR33	Port. Elec. Heater,1500 W,5120 BtuH	\$ 26.33
4JRK8	Ceiling Diffuser,Round,Duct Size 6",Wht	\$ 2.08
1KAA5	Metering Servomotor Assembly w/ Seat	\$ 48.24
2XU36	Performance Kit,3.5 GPF,Toilet	\$ 15.35
38Y160	Pneumatic Thermostat,DA,55 to 85F	\$ 70.52
MEP-3516	Electric Actuator,44 in.-lb.,Modulating	\$ 131.23
2VDF2	Hose Reel,Spring,75 ft,MD	\$ 135.57
31KP54	Thermostat Kit	\$ 100.50
3A422	Solenoid Valve,2-Way,NC,Air,Steam,Water	\$ 9.15
4KUE8	Full Upgrade Kit	\$ 150.31
10A631	PEX Manifold,CR Polymer,PEX,3/4 In.	\$ 7.17
2VEJ4	Retrofit Kit,Toilet/Urinal,Side Mount	\$ 94.42
24VL12	Washer/Gasket,For Symmons Safety mix	\$ 11.81
5P211	Repair Kit,Toilet,4.5 GPF	\$ 7.76
45DT98	Water Disch Hose,3inx50ft,70 psi,Blue	\$ 42.49
F7042000	Tube Pipe Support	\$ 12.35
2CUA7	Hose Reel,3/8" ID,50 ft,Spring,HD	\$ 88.98
402W89	Steam Trap,1" NPT Connections,SS Disc	\$ 69.33
20RH68	Thermostatic Mixing Valve,3/4in.,230 psi	\$ 51.53
5E546	Breaker Kit,Vacuum	\$ 1.76
10L494	Cartridge,For AR-20000, AR-40000	\$ 60.06
1KAA3	Water Diaphragm Assembly	\$ 4.20
5AU59	Pilot Burner Tubing	\$ 4.28
10A583	Adapter,Low Lead Brass,1/2" Tube	\$ 0.58
24VL53	Metering Cartridge, Symmons Scot Series	\$ 90.76
5E547	Showerhead	\$ 49.00
5AU59	Pilot Burner Tubing	\$ 4.28
32L435	A156A Diaphragm	\$ 3.17
2UE81	Pipe,1-1/2 In.,Unthreaded,10 ft. L,10	\$ 59.24
5E551	Black Pipe,Threaded,3/4x10 ft.	\$ 8.40
10A575	Clamp Ring,Copper,3/8" Tube,1" Pipe	\$ 0.19
5NRE5	Faucet,Manual,Blade,1/2 In.,2.2 gpm	\$ 82.84
40D650	Faucet,Manual,Lever,3/4 In.,2.2 gpm	\$ 80.74
5NRE8	Kitchen Faucet,2.2 gpm,6In Spout	\$ 62.42
45RH51*TBD	Worm Gear Hose Clamp,SAE 306,PK100	\$ 2.07
2LRZ5	Automatic Flush Valve,Toilet,3.5 gpf	\$ 130.06
2C528	Ventilator,Turbine,6in	\$ 20.78
4P005	Flexible Coupling,Pipe Size 1-1/2x1-1/2"	\$ 1.53
40LV93	Non-Spring Return Damper Actuator	\$ 124.86
6KZ21	Type L,Hard length,3/4 In.X 10ft.	\$ 26.45
5AFJ6	Schedule 40 Pipe,Size 1 1/2 In,10ft.L	\$ 4.79
402W96	Steam Trap,3/4" NPT Connections,SS Disc	\$ 59.37
5E552	Black Pipe,Threaded,1x10 ft.	\$ 9.98
2XU14	Solenoid,Faucets	\$ 83.33
5P212	Repair Kit,Urinal.1.5 GPF	\$ 7.40
2EW A3	Strainer Check Stop Assembly	\$ 62.11
10A650	PEX Tubing,Blue,1/2 in,300 ft,100 psi	\$ 51.90

24VL06	Valve Seat,For Symmons Temptrol Valve	\$ 29.94
5E551	Black Pipe,Threaded,3/4x10 ft.	\$ 8.40
3UD03	Thermostatic Radiator Valve,Size 3/4 In.	\$ 24.68
24E593	Valve Body Assembly,,5 gpm,Hot and Cold	\$ 108.88
10C453	Faucet Cartridge,Hot,1/2 In,Brass	\$ 18.81
12G104	Union,Malleable Iron,300,3/4 In.,NPT	\$ 4.28
5E555	Black Pipe,Threaded,2x10 ft.	\$ 21.20
5PZF2	Shower Valve Cartridge, Symmons Faucets	\$ 13.60
5E305	Steam/Hydronic Heater Element,Steel,3ft.	\$ 27.05
EI475SHEET*TBD	Duct Board 1" X 48" X 120"	\$ 41.98
24VL16	Spindle,For Symmons Temptrol Valve	\$ 49.11
32H997	Ball Valve,Low-Lead Brass,3/4 in, FNPT	\$ 4.99
1WHZ3	90 Deg Elbow,2 In Hub	\$ 0.68
2VEE8	Actuator Cartridge Assembly	\$ 13.94
13E339	Replacement Module For Steam Trap	\$ 28.84
5E554	Black Pipe,Threaded,1-1/2x10 ft.	\$ 16.03
2P352	Pump,Sump,1/6 HP	\$ 50.64
1188-000-199	Adjustable Insert	\$ 16.63
511069165	TFP PH5 1/2 K5.6 165 CHR HSW	\$ 156.66
4GNN2	Float Drain	\$ 21.12
5E551	Black Pipe,Threaded,3/4x10 ft.	\$ 8.40
33HM18	Packing Seal,1 sq. in.,5 ft.	\$ 43.72

Safety Supplies Market Basket

Grainger Part Number	Detailed Product Description	Price
40P558	Hi-Vis Bomber Jacket,Class 3,Ylw,XL	\$ 14.64
40P559	Hi-Vis Bomber Jacket,Class 3,Ylw,2X	\$ 17.55
9UJ66	Rain Jacket,Class 3, Type P,Ylw/Grn,XL	\$ 21.30
8TUU1	Rain Jacket,Class 3, Type P,Ylw/Grn,2XL	\$ 17.36
49XX93	Industrial Headlamp,LED,120 Lumens	\$ 3.47
1GAD7	Ear Muffs,Over-the-Head,NRR 30dB	\$ 3.99
40P557	Hi-Vis Bomber Jacket,Class 3,Ylw,L	\$ 15.81
3PWT1	First Aid Kit, Kit, Plastic Case Material, Vehicle, 25 People Served Per Kit	\$ 8.19
4JFZ2	Bib Overalls,Brown,Size 38x34 In	\$ 34.68
4DA82	Canister	\$ 34.68
8GRV1	Breathable Rain Jacket,Hi-Vis Ylw/Grn,XL	\$ 45.61
1CXL1	Ranger Hat,Hi-Vis Lime,L/XL	\$ 2.84
48J550	Hooded Jacket,Cotton,Brown Duck,XL	\$ 30.31
6AD55	Anti-Slip Tape,60ft L,Black,4"W, 60 Grit	\$ 13.91
5DDA9	Beverage Cooler,Hard Sided,5.0 gal.	\$ 15.24
45VL31	Mechanics Glove,XL,High-Visibility,PR	\$ 3.80
42LA23	Mechanics Gloves,XL,Blue/Blk,Neoprene,PR	\$ 4.75
42LA22	Mechanics Gloves,L,Blue/Blck,Neoprene,PR	\$ 4.54
4JX90	Film,Construction,6Mil,Clear	\$ 50.00

9N027	Breathable Rain Jacket,Hi-Vis Yl/Grn,2XL	\$ 47.91
4EY88	First Aid Kit,Bulk,White,25 People	\$ 11.81
30M585	Positioning/Climbing Harnesses,420 lb.,M	\$ 251.92
30M586	Full Body Harness,L,420 lb.,Gray	\$ 254.60
16V464	Self-Retracting Lifeline,6 ft.,420 lb.	\$ 48.44
9JHT3	Rain Jacket,Class 3, Type P,Ylw/Grn,3XL	\$ 17.34
54GY76	Watch Hat,Hi-Viz Green,Universal	\$ 5.21
8UUM3	Rain Jacket/Pant,Class 3, Type R,4XL/5XL	\$ 24.90
5PE84	Drivers Gloves,Split Leather,Gray,XL,PR	\$ 1.58
5WUH5	Cold Protection Gloves,2XL,Bl/Prl Gry,PR	\$ 6.58
19TR89	LE Self-Retracting Lifeline,8 ft,310 lb	\$ 134.73
5T899	Fire Extinguisher,Dry,ABC,3A:40B:C	\$ 22.03
42LA24	Mechanics Gloves,2XL,Blu/Blk,Neoprene,PR	\$ 4.49
45VL30	Mechanics Glove,L,High-Visibility,PR	\$ 3.89
3KN29	Drum Spill Cntnmnt Pallet,4 Drum,8k lb.	\$ 128.35
3JPH1	Hard Hat,6 pt. Ratchet,Hi-Vis Grn	\$ 4.78
34EL77	Hiking Boots,Men,10M,Lace Up,Brown,PR	\$ 52.20
3WMC9	Safety Glasses,Smoke	\$ 1.01
3MAG6	Chain Saw Chaps,Green,Nylon	\$ 31.70
3VAN4	Cleanser, Liquid Solution, Box, Wrapped Packets	\$ 6.96
34EL81	Hiking Boots,Men,12M,Lace Up,Brown,PR	\$ 52.20
34EL92	Hiking Boots,Men,11W,Lace Up,Brown,PR	\$ 48.60
26K678	Prem Cow Driver Red Fleece Lin,M,PK12	\$ 6.68
5PE83	Drivers Gloves,Split Leather,Gray,L,PR	\$ 1.49
21NM33	Leather Palm Gloves,Shirred Cuff,2XL,PR	\$ 2.30
488C35	Mechanics Gloves,M,Blue/Blck,Neoprene,PR	\$ 4.57
3RFA2	Hooded Jacket,Insulated,Brown,L	\$ 31.46
2UYF4	Safety Glasses,Smoke Mirror	\$ 1.88
2EMK6	Cooling Towel,Blue,13 x 29 In.	\$ 3.79
3AJ48	Leather Drivers Gloves,Cowhide,L,PR	\$ 4.29
45VL30	Mechanics Glove,L,High-Visibility,PR	\$ 3.89
40P556	Hi-Vis Bomber Jacket,Class 3,Ylw,M	\$ 17.32
4EY94	First Aid Kit,Unitized,White,36 People	\$ 28.27
21A174	Safety Glasses,Smoke Mirror	\$ 3.03
3JNG3	Hearing Band,Reusable,27dB,Orange	\$ 2.38
8H369	Rain Suit,Jacket/Pant,Class 3, Type R,M	\$ 25.90
34EL90	Hiking Boots,Men,10W,Lace Up,Brown,PR	\$ 49.14
34EL94	Hiking Boots,Men,12W,Lace Up,Brown,PR	\$ 50.22
5PB33	Fire Barrier Sealant,10.1 oz.,Gray	\$ 3.46
45VL29	Mechanics Glove,M,High-Visibility,PR	\$ 3.93
34EM18	Hiking Boots,Men,10-1/2W,Lace Up,Blk,PR	\$ 50.55
2UZW1	Shock-Absorbing Lanyard,6 ft.,310 lb.	\$ 27.38

Exhibit B: Non-Market Basket Discount Pricing

General Industrial

Abrasive Hand Pads	3.00%
Augers	13.00%
Batteries	10.00%
Binder Chain Assemblies	3.00%
Bit Tips and Drivers	14.00%
Bolt Assortment Kits	23.00%
Cable & Wire Rope	10.00%
Cargo Tie Downs	10.00%
Carts and Trucks	10.00%
Ceiling Tiles	20.00%
Chain	10.00%
Chaps	19.00%
Clips	3.00%
Concrete Repair Products	13.00%
Cordless Combination Kits	11.00%
Cordless Drills & Drivers	11.00%
Cutting Wheels	3.00%
Diamond Saw Blades	11.00%
Drill Sets	3.00%
Duct Tape	10.00%
Fans	17.00%
Fiber & Sanding Discs	3.00%
First Aid Kits & Accessories	19.00%
General Identification Tags	19.00%
Hangers	20.00%
Jacks & Accessories	3.00%
Jobber Drills	3.00%
Landscaping Hand Tools	13.00%
Load Binder Ratchets	10.00%
Lock Cores	3.00%
Lock Nuts	35.00%
Masking Tape	10.00%
Measuring Wheels	14.00%
Packaging Tape	10.00%
Plow Bolts	35.00%

Power Tool Batteries and Chargers	11.00%
Protective Screens and Curtains	3.00%
Rack, Shelving, & Pallet Rack Accessories	10.00%
Racks, Shelving, & Pallet Racks	10.00%
Replacement Batteries	10.00%
Saw Blades	14.00%
Scrapers, Edgers, and Putty Knives	14.00%
Shut-Off Valves	20.00%
Solder	3.00%
Step Ladders	10.00%
Storage Tanks	10.00%
Stretch Film	10.00%
Strut Channel	23.00%
Strut Channel Accessories	23.00%
Threaded Rods	35.00%
Torches and Accessories	3.00%
Tube Supports	20.00%
Welding Helmets	3.00%
Welding Wire	3.00%
Wheel Chocks	10.00%
Other	3.00%

Lighting & Electrical Supplies

Ballast & Lamp Recycling Kits	22.00%
Booster Packs	3.00%
Cable Ties	23.00%
Circuit Breakers	23.00%
Clamp Meters	3.00%
Compact Fluorescent Lamps	22.00%
Electric Wire	23.00%
Electronic Ballasts	22.00%
Extension Cords	23.00%
Fixtures	22.00%
Flood Lights	22.00%
General Purpose AC Motors	10.00%
Heat Shrink Terminals	23.00%
HID Ballasts	22.00%

High Bay Fixtures	22.00%
HVAC	17.00%
Linear Fluorescent Lamps	22.00%
Linear LED Lamps	22.00%
Load Centers and Accessories	23.00%
Metal Halide Lamps	22.00%
Plugs	23.00%
Power Strips	23.00%
Receptacles	23.00%
Recessed Fixtures	22.00%
Refrigeration	17.00%
Screw Base LED Lamps	22.00%
Security Lights	22.00%
Strip and Wrap Fixtures	22.00%
Switches	23.00%
Terminals	23.00%
U-Bend Fluorescent Lamps	22.00%
Vaportite Fixtures	22.00%
Wall Lights	22.00%
Wires & Cables	23.00%

Plumbing Supplies

Adapters	20.00%
Air Conditioner Accessories	17.00%
Air Dryers	10.00%
Ball Valves	20.00%
Bearing Adapters & Assemblies	3.00%
Compressors & Accessories	10.00%
Cylinders	3.00%
Dampers	17.00%
Dehumidifiers	17.00%
Diaphragm Pumps	10.00%
Electric Heaters	17.00%
Epoxy	10.00%
Extended Surface Filters	17.00%
Faucet Assemblies	20.00%
Faucets	20.00%

Gas Engine Water & Trash Pumps	10.00%
Gasket Materials	10.00%
Heater Accessories	17.00%
Hose Couplers & Accessories	20.00%
Hose Reels & Accessories	10.00%
Hydraulic Pumps	3.00%
Hydronic Heating	3.00%
Instrumentation Fittings	20.00%
Manifold Sets	17.00%
Manual Grease Guns	3.00%
Pipe Couplings	20.00%
Pipe Elbows	20.00%
Pipe Flanges	20.00%
Pipe Insulation & Accessories	20.00%
Pipe Lengths	20.00%
Pleated Filters	17.00%
Refrigerants	17.00%
Regulators and Accessories	20.00%
Sewage Ejectors, Submersible & Sump Pumps	10.00%
Shower Heads	20.00%
Shower Repair Products	20.00%
Solenoids	23.00%
Steam Trap Repair Kits	17.00%
Steam Traps	17.00%
Switches and Accessories	10.00%
Thermostatic Mixing Valves	20.00%
Thermostats and Controllers	17.00%
Toilet Repair Products	20.00%
Toilet Tanks	20.00%
Toilets	20.00%
Tube Fittings	20.00%
Tubing	20.00%
Valve Caps	3.00%
Water Filters	20.00%
Water Fountains	20.00%

Safety Supplies

All-Purpose Jackets and Suits	19.00%
Coated and Dipped Gloves	19.00%
Cooling Products	19.00%
Cotton and String Knit Gloves	19.00%
Coveralls	19.00%
Cut Resistant Gloves	19.00%
Disposable Gloves	19.00%
Dust Masks	19.00%
Ear Muffs	19.00%
Earplugs	19.00%
Environmental and Industrial Oil Sorbents	19.00%
Eye Wash & Drench Shower Products	19.00%
First Aid Kit Replacement Items	19.00%
Flashlights	22.00%
Gloves	19.00%
Hard Hat Liners	19.00%
Hard Hats	19.00%
Head Lamps	22.00%
Hi-Dexterity Gloves	19.00%
High Visibility Garments	19.00%
Insect Repellents	13.00%
Leather Palm and Drivers Gloves	19.00%
Replacement Earplug Pods	19.00%
Safety Cans	19.00%
Safety Equipment	19.00%
Safety Eyewear	19.00%
Safety Tape	10.00%
Safety Toe Boots and Shoes	19.00%
Tarps	3.00%

Exhibit C: Service Level Agreements and Key Performance Indicator

This document is an exhibit to the Master Services Agreement, and is deemed to be attached to and incorporated within the Master Services Agreement by reference. Any inconsistency, conflict, or ambiguity between this exhibit and the Master Services Agreement shall be resolved by giving precedence and effect to the Master Services Agreement.

Service Level Agreement (SLA)

The Service Level Agreements (SLA) are based on agreed-upon service levels that are tracked over the course of the contractual term. The SLA are created for the purpose of monitoring the performance of the Contractor and the overall contractual agreement. These SLA are represented to identify both qualitative and quantitative information. The Contractor shall monitor and fulfill all associated Service Levels through continuous tracking, Key Performance Indicator Surveys, and State Account Management interaction. These Service Level Agreements shall then be directly evaluated through Performance Metrics in **Exhibit D**. On a quarterly basis, the Contractor shall identify the actual outcome of the SLA listed below and supply original supportive documentation for all SLA and Performance Metrics. The Contractor shall tabulate the actual SLA outcome and present the actual results during each affiliated Quarterly Business Review (QBR). The Contractor shall not round up on any numerical data. The data shall not be tabulated as an average; instead, the data must be represented as actual statistical information.

The Service Level Agreements are set up with the combination of the following:

3. **Service Level Agreement – Contractor Score Card**
The Contractor Score Card is a specific table to the agreement for Contractor performance in various areas. This Contractor Score Card is tracked daily, while reported on a quarterly basis, unless otherwise requested by the State Contract Manager. The Contractor is encouraged to utilize automated processes to generate data and reports to ensure utmost authenticity. The Contractor shall not round up on any numerical data. See Table titled: **Service Level Agreement – Contractor Score Card**.
4. **Service Level Agreement - Key Performance Indicator (KPI)**
A Key Performance Indicator (KPI) is a specific survey submitted to the key stakeholders of the using entities. Each Using Entity is required to complete the KPI; the person completing the KPI should be someone who utilizes the agreement on a continuous basis and is answering the survey on behalf of the Using Entity. The intent of the KPI is to obtain real, continuous feedback on the Contractor's management performance, overall performance, and other identified factors. The Contractor shall reach out to key stakeholders to complete and return the KPI, signed, to the Contractor. The Contractor shall then compute and report on the results in the Quarterly Business Review. The Contractor shall not round up on any numerical data. The Contractor shall provide all original, supportive documentation to the State Contract Manager. See Table titled: **Service Level Agreement – Key Performance Indicator**.

Service Level Agreement – Contractor Score Card

#	Service Level Agreement	Performance Standard	Performance Target	Description	Frequency of Review
1	Delivery Cycle Time Turnaround	By Next Business Day	By Next Business Day	Calculation of delivery from the date of order receipt to the date when the product is physically onsite with the customer by next business day.	Quarterly
2	Order accuracy	95%	100%	Rate of correlation between what was ordered and what was delivered.	Quarterly
3	Fill rate / Backorder rate	95%	100%	Rate of order completion.	Quarterly
4	On-time delivery (expected date)	95%	100%	Rate of orders delivered to needed/requested delivery date.	Quarterly
5	Invoice accuracy	95%	100%	Invoice references State of IN PO#. Invoice value per line item matches State of IN line item value.	Quarterly
6	Invoice timeliness	95%	100%	Invoice presented to ordering party within 5 days of shipment.	Quarterly
7	Complete order rate / Split-order rate	95%	100%	% of orders that were requested in one complete shipment were met. Split % represents count of orders that were fulfilled by multiple shipments.	Quarterly

Service Level Agreement - Key Performance Indicator

ACCOUNT SERVICE PERFORMANCE SCORECARD						Grainger						
Grainger				Quarter / Period of Review:								
Site Scorecard: (Enter Using Agency location here)				Date Review Completed:								
CLIENT SATISFACTION												
CLIENT SERVICE REVIEW PROCESS (SEE SCALE BELOW) Insert check in box						7	6	5	4	3	2	1
1. How consistent and reliable is the service Grainger is providing?												
2. How responsive is the Grainger service on issues, when applicable?												
3. How would you rate the professionalism of the employees at Grainger and the subcontracted partners?												
4. How would you rate the Grainger agreement product delivery?												
5. How would you rate the Grainger agreement Catalog Punch-out ease of use?												
6. How would you rate the Grainger agreement Invoice Accuracy?												
7. Overall, are you satisfied with the employees that support the Grainger agreement?												
8. Compared to prior vendors, how would you rate the Grainger agreement product quality?												
9. Compared to prior vendors, how would you rate the Grainger agreement customer service?												
10. How likely are you to recommend the Grainger agreement to other departments/people you know?												
7 Always Exceeds Expectations		6 Frequently Exceeds Expectations		5 Sometimes Exceeds Expectations		4 Meets Expectations		3 Sometimes Meets Expectations		2 Rarely Meets Expectations		1 Never Meets Expectations
Range		On Target		Below Expectation		Far Below Expectation						
CATEGORY						RANGE		SITE PERFORMANCE RESULTS / COMMENTS				
CONTRACT PERFORMANCE												
FINANCIAL PERFORMANCE								Comments:				
# of Billing discrepancies: (#)												
TECHNICAL/CS PERFORMANCE								Comments:				
% of Uptime Grainger punch-out was available.												
INCIDENT REPORTING								Comments:				
# of major incidents reported (#)												
Reviewed by:						Date		Submitted by:		Date		
Agency Representative								Grainger				

Exhibit D: Performance Metrics

This document is an exhibit to the Master Services agreement, and is deemed to be attached to and incorporated within the Master Services Agreement by reference. Any inconsistency, conflict, or ambiguity between this exhibit and the Master Services agreement shall be resolved by giving precedence and effect to the Master Services agreement.

***Definition:** A **performance metrics** is a measure of an organization's activities and performance. Performance metrics should support a range of stakeholder needs from customers, shareholders to employees. A metric will include A. Critical Process/Customer Requirement, B. Developmental measurements, C. Targets which the results can be scored against, and D. An actionable remedy if the metric is not met within an agreed upon timeline. The targeted metric deliverables were developed as a result of Exhibit C, Service Level Agreements. The metrics are set up as follows:*

Metric #: Metric Title

- 1. Identification of: Critical Process/Customer Requirements.*
- 2. Identification of: Developmental measurement.*
- 3. Identification of: Targets which the results can be scored against.*

The Contractor shall capture these metrics as designed, and any additional metric presented from the State over the life of the contract. In doing so, the Contractor shall facilitate and monitor the performance of all Service Level Agreements identified in **Exhibit A**. The Contractor shall tabulate the actual Service Level Agreements outcome and present the actual results during each affiliated Quarterly Business Review (QBR). The Contractor shall not round up on any numerical numbers, percentages, etc. The data shall not be tabulated as an average; instead the data must be represented as actual statistical information. The Contractor shall be allowed a ninety days (90) day grace period during the implementation phase of the contract to ramp up services, without scoring on the performance metrics. The Service Levels shown in this contract are still to be followed during the initial implementation phase of the contract, but will not be scored.

In addition to the other terms and conditions of this Master Services Agreement, if the State deems that the Contractor has failed to meet the standards contained in the Service Level Agreement shown in **Exhibit B**, or fails to meet any performance standard of a performance metric, the State reserves the right to ask the Contractor for a Corrective Action Plan (CAP). The State has the discretion to accept multiple Corrective Action Plans from the Contractor over the life of the contract, if deemed appropriate. As performance metrics #11 – 20 are qualitative responses from Ordering Agency personnel, the State will review the results at a more detailed level by following up with the individual to determine if the responding Ordering Agency contact has made a fair assessment of the services provided by the Contractor before issuing a CAP.

If the State elects to request a Corrective Action Plan, the Contractor shall have (5) business days to provide the Corrective Action Plan detailing the actionable cure for remedying the issue or issues of each performance metric in need of correction. Upon Corrective Action Plan receipt, the State shall review and advise of any questions. If the State has no objections to the plan, the plan shall be implemented within (24) hours. From that point, the Contractor has the agreed upon timeline to cure the issues. The timeline shall be determined by the State.

If the Contractor still has any issue associated with the Corrective Action Plan purpose, by the end of the timeline, the State shall obtain a credit of \$2,500 from the Contractor in the form of a check with the supportive reporting model. At any point, the State has the right to invoke the Termination for Default clause.

The performance metrics are as follows:

Metric #1: Delivery Cycle Time Turnaround

- A. Contractor shall ensure compliance on metric regarding the delivery cycle turnaround for stocked products is within 1 business day of order submission.
- B. The Contractor shall monitor and report on a quarterly basis the metric based on the calculation of delivery from the date of order receipt to the date when the product is physically onsite with the customer by next business day, provided the product is ordered by the State by 5:00pm local time. Order date and timestamp compared to the delivery proof of desktop or dock delivery at customer's office.
 - Performance Standard: By next business day
- C. The target: By next business day

Metric #2: Order Accuracy

- A. Contractor shall ensure compliance on metric regarding percentage where pricing must be accurate as reflected in Contract Pricing Model.
- B. The Contractor shall monitor and report on a quarterly basis the metric based from providing a reporting model to reflect order and delivery correlation and accuracy. Invoice documentation to be provided for validation purposes.
 - Performance Standard: 95.0%
- C. The target: 100.0%

Metric #3: Fill Rate / Backorder Rate

- A. Contractor shall ensure compliance on metric regarding percentage of the orders filled compared to items backordered, specifically between Market Basket and non-Market Basket items.
- B. The Contractor shall monitor and report on a quarterly basis the metric based on total number of Market Basket requisition lines filled by the number of lines requested over a given period. The difference, therefore, would be items on back-order.
 - Performance Standard: 98.0%
- C. The target: 100%

Metric #4: On-Time Delivery (Expected Date)

- A. Contractor shall ensure compliance on metric regarding percentage of the orders delivered to needed/requested delivery date.
- B. The Contractor shall monitor and report on a quarterly basis the metric based on total number of orders delivered by requested delivery date and orders not delivered by the requested date.
 - Performance Standard: 95.0%
- C. The target: 100%

Metric #5: Invoice Accuracy

- A. Contractor shall ensure compliance on metric regarding invoice accuracy – that invoices reference the State of IN PO# and that invoice values per line item match State of IN line item value.
- B. The Contractor shall monitor and report on a quarterly basis the metric based from the number of times invoices appear accurately versus inaccurately.
 - Performance Standard: 95.0%
- C. The target: 100.0%

Metric #6: Invoice Timeliness

- A. Contractor shall ensure compliance on metric regarding invoice timeliness – invoices are presented to ordering party within 5 days of shipment.
- B. The Contractor shall monitor and report on a quarterly basis the metric based from the number of times invoices are sent within 5 days of shipment and the number of times they are not.
 - a. Performance Standard: 95.0%
- C. The target: 100.0%

Metric #7: Complete Order Rate / Split-Order Rate

- A. Contractor shall ensure compliance on metric regarding whether orders are completed as one shipment, or if they are split into multiple shipments.
- B. The Contractor shall monitor and report on a quarterly basis the metric based from the percent of orders requested and met in one complete shipment versus percent of orders fulfilled by multiple shipments.
 - a. Performance Standard: 95.0%
- C. The target: 100.0%

Metric #8: Report Turnaround

- A. Contractor shall ensure compliance on metric regarding the report turnaround is provided by (2) business days from the date of request.
- B. The Contractor shall monitor and report on a quarterly basis the metric based on the calculation of report turnaround from the completion of reports provided according to number of business days taken to provide.
 - Performance Standard: By (2) Business Days
- C. The target: By (1) Business Day

Metric #9: Consistent and Reliable Service

- A. The Contractor provides consistent and reliable service. (Answering question: How consistent and reliable is the service Grainger is providing?)

- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each Using Agency site; in review of the scope provided by the Contractor. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #10: Responsiveness

- A. Responsiveness of customer service. (Answering question: How responsive is the Grainger service on issues, when applicable?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #11: Professionalism

- A. Professionalism of employees (Answering question: How would you rate the professionalism of the employees at Grainger and the subcontracted partners?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #12: Product Delivery

- A. Product Delivery (Answering question: How would you rate the Grainger agreement product delivery?)

- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #13: Catalog Punch-Out Ease of Use

- A. Project timeline achievement (Answering question: How would you rate the Grainger agreement Catalog Punch-out ease of use?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #14: Invoice Accuracy

- A. Invoice Accuracy (Answering question: How would you rate the Grainger agreement Invoice Accuracy?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #15: Overall Employee Customer Support satisfaction

- A. Rating the overall employee customer support satisfaction (Answering question: Overall, are you satisfied with the employees that support the Grainger agreement?)

- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #16: Compared to prior vendors, rate Product Quality

- A. Product Quality rating compared to previous contractors (Answering question: Compared to prior vendors, how would you rate the Grainger agreement product quality?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #17: Compared to prior vendors, rate Customer Service

- A. Customer Service rating compared to previous contractors (Answering question: Compared to prior vendors, how would you rate the Grainger agreement customer service?)
- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Metric #18: Company Recommendation

- A. Recommendation (Answering question: How likely are you to recommend the Grainger agreement to other departments/people you know?)

- B. Upon the State's written request, but no more than once per quarter, the Contractor shall conduct surveys with the Key Agency associates at each serviced site. These surveys will have a scale range from 1 to 7 as follows:
- 1=Never Meets Expectations
 - 2= Rarely Meets Expectation
 - 3=Sometimes Meets Expectations
 - 4=Meets Expectations
 - 5=Sometimes Exceeds Expectations
 - 6=Frequently Exceeds Expectations
 - 7=Always Exceeds Expectations.
- C. The target: 100% of returned responses with a minimum rating of 4=Meets Expectations.

Exhibit E: RFP #18-038 Documentation

Patrick O'Connor
Indiana Department of Administration
Procurement Division
402 West Washington Street, Room W468
Indianapolis, IN 46204

RE: Transmittal Letter for Request for Proposal 18-038 for Maintenance, Repair, and Operations (MRO) products

Due Date: June 15, 2018 3PM EST

Dear Mr. O'Connor:

Grainger is pleased to present the State of Indiana with this proposal which provides details on how we partner with you to reduce Total Cost of Ownership within the State's operation for MRO procurement. We are focused on helping the State's Agencies create a more efficient operating model that supports standardization, and consolidation for their MRO spend. Grainger is an experienced supplier with a proven record of successful project implementations and superior performance and delivery. We strive for continuous improvement to drive cost optimization and welcome aligning our efficient practices to support the State's initiatives.

2.2.1 Agreement with Requirements listed in Section 1

Grainger has reviewed, understands and agrees to the requirements listed in Section 1.

2.2.2 Summary of Ability and Desire to Supply the Required Products or Services

Grainger has been providing Maintenance, Repair, and Operations (MRO) materials to our customers for over 91 years and has been doing business in the State of Indiana since 1944. Grainger currently services **Indiana customers including state agencies with 2017 sales of over \$178 million** and related services ranging from inventory management, vending, consulting services, training, sustainable products and reporting, eCommerce solutions, technical support, energy services and more. We support our Indiana customers with five branches in Indiana and four strategically located distribution centers. This allows Grainger to provide same day shipping **with next day service to every location in Indiana**. Our total inventory value in the State of Indiana is over five million and over \$450 million is stored at the four supporting distribution centers (DCs) for next day service at any point in time, ensuring that the right products are in market for all Indiana agencies. Additionally, a **new DC in Louisville, Kentucky**, is currently under construction which will provide additional assurance to the State for inventory availability and same-day deliveries if needed.



Grainger's state-of-the-art, award winning online ordering solution, Grainger.com, offers **over 1.7M** products from **over 30 MRO categories**, provided by over 5,200 key suppliers. Grainger provides the best combination of product selection, local availability, speed of delivery and simplicity of ordering in the industry to make inventory available to the State's agencies on a just-in-time basis. Grainger's logistic network of 249 branches and 13 distribution centers maintains over \$1.25 billion on-hand inventory to provide **95% of our US customers with next day service**.

Grainger has the products and inventory position that will meet the State's requirements to allow increased productivity and contract compliance by finding more of the products the State needs on

Grainger.com. The following chart represents the number of SKUs currently available in each MRO category on Grainger.com:

Available SKUs in Grainger's General Catalog on Grainger.com			
Category	Approx. SKU Count*	Category	Approx. SKU Count*
HVAC and Refrigeration	40,000	Hydraulics	8,000
Paint, Equipment and Supplies	55,000	Office Supplies	13,000
Fasteners	87,000	Adhesives, Sealants and Tape	8,000
Raw Materials	20,000	Material Handling	93,000
Safety	167,000	Furniture, Hospitality and Food Service	23,000
Outdoor Equipment	9,000	Power Transmission	35,000
Power Tools	30,000	Hardware	41,000
Lighting	12,000	UNCATEGORIZED	1,000
Electronics, Appliances, and Batteries	7,000	Machining	251,000
Hand Tools	38,000	Lab Supplies	72,000
Security	55,000	Motors	12,000
Lubrication	5,000	Test Instruments	13,000
Fleet and Vehicle Maintenance	27,000	Pumps	13,000
Abrasives	12,000	Reference and Learning Supplies	2,000
Welding	13,000	Electrical	62,000
Pneumatics	30,000	Cleaning	14,000
Plumbing	57,000		

*SKU count as of May 2018

Grainger is committed to supporting the State of Indiana as over 180 team members live and work in Indiana. In 2017, Grainger donated more than \$24.6 million to nonprofit organizations in cash and product. The Grainger Tools for Tomorrow® scholarship program supports students studying the skilled trades, public safety or supply chain management. Half of all scholarships are offered to veterans of the U.S. Armed Forces. The participating school in Indiana is Ivy Tech Community College of Indiana.

Grainger's submission includes bids on the following categories:

- Category2: General Industrial Supplies
- Category3: Lighting and Electrical Supplies
- Category5: Plumbing Supplies
- Category 6: Safety Supplies

Grainger is willing to provide the requested products and/or services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses. Grainger respectfully submits Attachment B – Master Services Agreement as an attachment to the Transmittal Letter with clarifications for the State's review.

2.2.3 Signature of Authorized Representative

This letter is signed by Ben Nichols, VP Government, who is authorized to commit Grainger to the State of Indiana's Request for Proposal 18-038, and can certify that the information in Grainger's proposal

meets all general conditions including the information in Section 2.3.4. Please see his attached certification of authority.

Additionally, the primary Point of Contact (POC) with authority for this project is:

Brent Zinn, Sr. Government Sales Manager

Mobile: 313-701-5454

Email: Brent.Zinn@grainger.com

Grainger Branch Address: 1819 West 16, Indianapolis, IN, 46202

Branch Phone: 317-632-8341

Branch Fax: 317-634-0713

Grainger Headquarter Address: 100 Grainger Parkway, Lake Forest, IL, 60045

2.2.4 Respondent Notification

Please notify Grainger regarding this RFP via email: Brent.Zinn@grainger.com. Grainger will notify the Procurement Division of any changes to this information.

2.2.5 Confidential Information

- Grainger presents the following responses where we are claiming a statutory exemption to the APRA:
 1. # 2.3.10.2 General Information (*Securing Data*)
 2. #2.4.2.6 Online Capabilities (*Reporting Examples*)
 3. #2.4.2.3 Data Management and Integrity
 4. #2.4.6.1 Customer Service (*Personnel Data*)
 5. #2.4.9.1 Reporting

- Specify which statutory exception of APRA that applies for each document;
Indiana Code Title 24, Trade Regulation § 24-2-3-2
“Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:
 - (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and
 - (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

- Provide a description explaining the manner in which the statutory exception to the APRA applies for each document.

Grainger is North America's leading broad line supplier of maintenance, repair and operating products (“MRO”) to government agencies and commercial businesses in the United States, with operations also in Asia, Europe and Latin America. The Grainger team works closely with customers in more than 150 countries to provide cost-saving solutions on a multitude of products for businesses. As a result, Grainger experiences stiff competition from numerous companies in Indiana, throughout the U.S., and across the world. The Trade Secret / Confidential Information identified here, which includes reporting capabilities, personnel assignment and organizational structure and data and/or risk management of data, would be very valuable to competitors if publicly released.

The information which Grainger seeks to protect is information that could be used to create or enhance competitors’ offerings and would result in serious harm to Grainger if disclosed publicly in any way. With knowledge of the information identified herein, competitors will be able to undercut

future Grainger proposals or product offerings and sales. Grainger asserts that this shows a strong likelihood that this information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

The Confidential Information is not simply information as to a single or episodic event in the conduct of Grainger's businesses. Such information is indicative of Grainger's strategies with respect to specific methods, techniques, or processes that may be used or applied in similar business opportunities, and therefore, will have continuous use in the operation of Grainger's businesses. Insight gained by a competitor from reviewing such information would allow the competitor to know what strategies Grainger may use specific to personnel, reporting and risk management of data. Such knowledge is not readily ascertainable by proper means and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The Confidential Information requested would provide a competitor with insight into proprietary information that would clearly offer advantages in future business opportunities. Grainger has worked hard and spent significant resources to understand the needs of its customers, develop offers and pricing strategies that resonate and respond to customer needs. Competitors cannot be allowed to just receive Trade Secrets of a successful company that has done the work to become successful. Grainger has invested substantial resources in developing its personnel, its reporting capabilities and protecting its data from release and should not be required to give that knowledge away to its competitors.

2.2.6 Other Information

Grainger has no additional information at this time.

Sincerely,



Ben Nichols
Vice President, Government
W.W. Grainger, Inc.

The State of Indiana

Indiana Department of Administration

Procurement Division

Maintenance, Repair, and Operations (MRO) Products

REQUEST FOR PROPOSAL 18-038

Business Proposal

COPY

SUBMITTED BY:

Brent Zinn
Sr. Government Sales Manager
W.W. Grainger, Inc.
Brent.Zinn@grainger.com

DUE DATE: June 15, 2018 • 3PM EST



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RFP 18-038
BUSINESS PROPOSAL
ATTACHMENT E

Instructions: Please provide a response in the shaded areas to all questions. Reference all attachments in the shaded areas.

2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State’s successful acquisition of the products and/or services requested in this RFP.

Grainger is pleased to respond to the State of Indiana RFP 18-038 for Maintenance, Repair and Operation (MRO) Products. With 2017 sales of over \$10.4 billion, Grainger is the leading North American provider of maintenance, repair, and operational supplies.

Grainger currently services **Indiana customers including state agencies with 2017 sales of over \$178 million**. We support our Indiana customers with five branches in Indiana and four strategically located distribution centers. This allows Grainger to provide same day shipping **with next day service to every location in Indiana**. Our total inventory value in the State of Indiana is over five million and over \$450 million is stored at the four supporting distribution centers (DCs) for next day service at any point in time, ensuring that the right products are in market for all Indiana agencies. Additionally, a **new DC in Louisville, Kentucky**, is currently under construction which will provide additional assurance to the State for inventory availability and same-day deliveries if needed.



Grainger’s Product Breadth is the largest offering in the MRO industry. Offering over 1.7 million SKUs provided from more than 5,200 key suppliers and covering 30 MRO categories, Grainger has the products and inventory position that will meet the State’s requirements to allow increased productivity and contract compliance by finding more of the product the State needs on Grainger.com. Below are the number of SKUs available in each MRO category on grainger.com:

Category	SKU Count*	Category	SKU Count*	Category	SKU Count*
HVAC & Refrigeration	40,000	Hydraulics	8,000	Lubrication	5,000
Paint, Equipment & Supplies	55,000	Office Supplies	13,000	Fleet and Vehicle Maintenance	27,000
Fasteners	87,000	Adhesives, Sealants & Tape	8,000	Abrasives	12,000
Raw Materials	20,000	Material Handling	93,000	Welding	13,000
Safety	167,000	Furniture, Hospitality & Food Service	23,000	Pneumatics	30,000
Outdoor Equipment	9,000	Power Transmission	35,000	Plumbing	57,000
Power Tools	30,000	Hardware	41,000	Test Instruments	13,000
Lighting	12,000	Machining	251,000	Pumps	13,000
Electronics, Appliances, & Batteries	7,000	Lab Supplies	72,000	Reference and Learning Supplies	2,000
Hand Tools	38,000	Motors	12,000	Electrical	62,000
Security	55,000	Cleaning	14,000	*SKU count as of May 2018	

Grainger's Account Management and Customer Support will provide the highest level of support to the State. The State, K12 and local agencies will always be able to reach a Grainger employee 24/7 to assist with their MRO related contract needs. Our dedicated customer service and account management teams, coupled with our next day delivery service capability to all Indiana locations, is unsurpassed for providing support and service to Indian customers.

Grainger takes great pride in being a partner with Government Customers in the State of Indiana. One area of focus is the training and certification of our team members on Government Procurement and Ethics. In addition to Grainger's Business Code of Conduct, Grainger has a separate Code of Ethics that specifically applies to team members servicing our Government Customers. This Code of Ethics and related training includes our No Gift Policy, Procurement Integrity and Grainger's internal processes to ensure compliance to the commitments we make with our Government Customers.

Higher qualified employees with fewer turnovers leads to better customer service for the State of Indiana. For the fifth year in a row, Grainger has been named one of Fortune Magazine's Top 100 Companies to work for in the global arena. Grainger's leadership is committed to creating high levels of engagement within our workforce and reinforces values such as treating others with respect and dignity, valuing diversity, encouraging ideas and opinions to improve the workplace. Providing a safe work environment, having fun, rewarding/recognizing team members for a job well done, and ensuring we provide the highest level of customer service to all customers are all values that each Grainger employee takes to heart. We are also committed to providing job specific training/on-boarding and career development training to ensure our employees continue on a successful career path.

Upon an award, Grainger's experienced contract enablement team will ensure a seamless transition with a detailed implementation plan. Grainger maintains a team of Contract Enablement Managers (CEMs) who partner with Contracted Customers to enable the changes needed, in both organizations, to meet the objectives of Agreements with complex customers that have multiple facilities. Given the scope of the potential contract between the State of Indiana and Grainger, a CEM would be aligned to build and lead the execution of a detailed project plan to insure that our two enterprises quickly begin to realize its intrinsic value.



Grainger will work with the State, particularly agency customers, leveraging our implementation experience, to understand how best to meet their specific needs. We believe by working together we can help agency customers identify opportunities for improving the efficiency of their MRO supply chain and reduce overall costs of procuring MRO product.

Grainger brings our supply chain philosophy of optimizing productivity to the solutions we propose for our customers. In a time when doing more with less is the new norm, identifying these opportunities and realizing hard cost savings is a value few vendors bring. **Grainger brings that value.**

2.3.2 Respondent’s Company Structure

The legal form of the Respondent’s business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

Grainger was founded in 1927 and incorporated in the State of Illinois in 1928, as W.W. Grainger, Inc. (“Grainger”). Grainger is a publicly held Fortune 500 company with shares traded on the New York Exchange. With 2017 sales of over \$10.4 billion, Grainger is the leading North American provider of maintenance, repair, and operating (MRO) supplies with a strategic US distribution network of 249 branches and 13 distribution centers as well as expanding global operations. Grainger U.S. (Grainger) is the division that services customers in the United States.

Today, Grainger offers the broadest product selection in the MRO industry with **over 1.7 million SKUs** representing over 30 categories of MRO products and materials, provided by over 5,200 key suppliers. Grainger’s strength is in its multichannel business model, which allows customers to get the products they want, when they want them.

Grainger.com is Grainger’s web based eCommerce purchasing system. As the 10th largest e-Retailer in the industry according to Internet Retailer, and the largest e-Retailer in the MRO industry, Grainger.com has a proven record with the most comprehensive website platform using user-friendly, customer focused, flexible web portals, mobile apps, and eProcurement offerings. The solutions deliver “Easy to Find”, “Easy to Use” and “Easy to Connect” procurement solutions that help the State of Indiana agencies save time and money.

Grainger’s eCommerce investment continues and Grainger has received awards as a result of our eCommerce focus. In 2016, it was recognized by Internet Retailer magazine’s B2B E-Commerce as the Website Design of the Year. In 2015 and 2016, Grainger earned the B2B E-Commerce Player of the Year Award and in 2018 Grainger was named 10th on Internet Retailer magazine’s list of e-retailers in the US. We are proud of these accomplishments and they are reflective of one of our key pillars of striving to ensure an effortless customer experience.

KeepStock® is Grainger’s portfolio of inventory management solutions that help customers better understand their inventory and reduce the costs associated with managing it. This portfolio provides both customer-managed (CMI) and vendor-



managed (VMI) inventory options, including vending. Grainger takes a **customer-centric approach**, offering solutions aligned with specific needs. By working together, we can help

identify the State's agencies' inventory challenges, determine where and how inventory is used, and develop a solution that best fits a customer's needs.

Grainger's **distribution capabilities** play a critical role in providing customers immediate access to needed supplies. Grainger provides the best combination of product selection, local availability, speed of delivery and simplicity of ordering in the industry, and operates in all 50 states through a network of 249 branches and 13 distribution centers. Grainger's standard operations consist of methods to make inventory available to customers on a just-in-time basis. Through Grainger's logistic network, we carry over **\$1.25 billion in inventory on hand every day**, provided by over 5,200 Grainger suppliers and manufacturer. Our distribution capabilities allow Grainger to deliver next day to EVERY location in the State of Indiana for all orders submitted by 5PM local time.

In addition to offering the broadest product offering in the industry, Grainger offers our customers many Value-Add MRO related services including Consulting Services, Safety Footwear Shoemobile, Energy Services, Eyewear Solutions, Technical Support, Training, Sustainability Services and more.

Please see the following attachments for detail on Grainger's Company Structure:

2.3.2B - Grainger - Articles of Incorporation

2.3.2B - Grainger – 2018 FactBook

2.3.2B - Grainger U.S. Organizational Chart

2.3.3 Company Financial Information

This section must include the Respondent's financial statement, including an income statement and balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company, additional financial information should be provided for the entity/organization directly responding to this RFP.

Grainger is a Dividend Aristocrat due to having increasing dividends for over 40 years. (To be eligible for the S&P 500 Dividend Aristocrat index, a stock must have increased their dividend payouts for a minimum of 25 consecutive years or more, must currently be part of the S&P 500 index and finally must have a minimum market capitalization of \$3 billion). Grainger's current DUNS rating is 5A1. Grainger's businesses continue to be strong and led by outstanding management. Please see the attached:

2.3.3B - Grainger - 2016 Grainger Annual Report

2.3.3B - Grainger – 2017 Grainger Annual Report

2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering

corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

The Sarbanes Oxley Act of 2002, H.R. 3763, is NOT directly applicable to this procurement; however, its goals and objectives may be used as a guide in the determination of corporate responsibility for financial reports.

Corporate governance and integrity of financial reporting is of utmost importance to the Company. To that end, the Board of Directors acts as the steward of the Company for the benefit of the shareholders, including overseeing the Company's corporate governance structures. In addition, the Company has various disclosure controls and procedures in place to ensure the integrity of financial information reported by the Company. Attached with this proposal is a copy of Grainger's most recent proxy statement, which provides an in-depth explanation of the Company's corporate governance system, including the role of the Board of Directors in providing oversight of the Company's risk management and independent audit activities. Also attached are certifications from the Company's Chairman and Chief Executive Officer and the Chief Financial Officer certifying the accuracy of the financial information contained in the Company's most recently filed annual report.

Please see the following:

2.3.4B - DG McPherson, Chairman, President: SEC Certifications

2.3.4B - Grainger's 2018 Proxy Statement

2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. This contract contains both mandatory and non-mandatory clauses. Mandatory clauses are listed below and are non-negotiable. Other clauses are highly desirable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of these mandatory contract terms (see section 2.2.2). In this section please review the rest of the contract and indicate your acceptance of the non-mandatory contract clauses. If a non-mandatory clause is not acceptable as worded, suggest specific alternative wording to address issues raised by the specific clause. If you require additional contract terms please include them in this section. To reiterate it's the State's strong desire to not deviate from the contract provided in the attachment and as such the State reserves the right to reject any and all of these requested changes.

The mandatory contract terms are as follows:

- Duties of Contractor, Rate of Pay, and Term of Contract
- Authority to Bind Contractor
- Compliance with Laws
- Drug-Free Workplace Provision and Certification
- Employment Eligibility
- Funding Cancellation
- Governing Laws
- Indemnification
- Information Technology
- Non-Discrimination Clause
- Ownership of Documents and Materials
- Payments
- Penalties/Interest/Attorney’s Fees
- Termination for Convenience
- Non-Collusion and Acceptance

Any or all portions of this RFP and any or all portions of the Respondents response may be incorporated as part of the final contract.

Please note: The State will only review or negotiate changes to contract clauses clearly identified in the transmittal letter. If there are no contract clauses identified Respondent is considered to have accepted the clauses as they are currently written.

Grainger agrees to all of the mandatory clauses as indicated in our Transmittal Letter.

2.3.6 References

The Respondent must include a list of at least three (3) clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFP. Information provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information.

Customer 1	
Legal Name of Company or Governmental Entity	State of Michigan 
Company Mailing Address	525 W. Allegan St.
Company City, State, Zip	Lansing, MI 48929
Company Website Address	https://www.michigan.gov/

Contact Person	Steve Rigg
Company Telephone Number	(517) 249-0454
Company Fax Number	RiggS@michigan.gov
Contact E-mail	RiggS@michigan.gov
Industry of Company	State Government
Customer 2	
Legal Name of Company or Governmental Entity	State of Virginia 
Company Mailing Address	1111 East Broad Street
Company City, State, Zip	Richmond, VA 23219
Company Website Address	www.eva.virginia.gov
Contact Person	Katherine Bosdell
Company Telephone Number	(804) 786-2397
Company Fax Number	katherine.bosdell@dgs.virginia.gov
Contact E-mail	katherine.bosdell@dgs.virginia.gov
Industry of Company	Government
Customer 3	
Legal Name of Company or Governmental Entity	State of North Carolina 
Company Mailing Address	1301 Mail Service Center
Company City, State, Zip	Raleigh, NC 27699
Company Website Address	https://ncadmin.nc.gov/about-doa/divisions/purchase-contract
Contact Person	David O'Neal
Company Telephone Number	919-807-4534
Company Fax Number	919-807-4508
Contact E-mail	david.o-neal@doa.nc.gov
Industry of Company	Government

2.3.6.1 Does your company have any pending litigation regarding contract disputes?

W.W. Grainger, Inc. (the company) is a publicly held company with over 25,000 employees, 273 locations, involved in international operations, and is party to thousands of contracts and other relationships. From time to time the Company is involved in various other legal and administrative proceedings that are incidental to its business, including claims related to product liability, general negligence, contract disputes, environmental issues, wage and hour laws, intellectual property, employment practices, regulatory compliance or other matters and actions brought by employees, consumers, competitors, suppliers or governmental entities. As a government contractor selling to federal, state and local governmental entities, the Company is also subject to governmental or regulatory inquiries or audits or other proceedings, including those related to pricing compliance. It is not expected that the ultimate resolution of any of these matters will have, either individually or in the aggregate, a material adverse effect on the Company's consolidated financial position or results of operations. While Grainger cannot provide the State with all of the specific information requested with respect to each lawsuit,

Grainger can state that, to the best of its knowledge and belief, without conducting exhaustive investigations or inquiries, there are no lawsuits that, if unfavorably concluded against this company would have a material adverse impact on its financial condition or ability to do business.

2.3.6.2 Please list any contracts lost or terminated in the last three years and provide reasons for loss or termination, as well as contact information.

Due to the confidential agreements we have with our customers, we cannot release customer information to other parties.

2.3.7 Registration to do Business

Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at <http://www.in.gov/idoa/2464.htm>.

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if you are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go to <http://www.in.gov/idoa/2464.htm>. The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and locations(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder. Problems or questions concerning the registration process or the registration form can be e-mailed to Amey Redding, Vendor Registration Coordinator, aredding@idoa.in.gov, or you may reach her by phone at (317) 234-3542.

Selected out-of-state Respondents providing the products and/or services required by this RFP must be registered to do business within the State by the Indiana Secretary of State and the Indiana Department of Administration, Procurement Division. The address contact information for this office may be found in Section 1.18 of the RFP. This process must be concluded prior to contract negotiations with the State. It is the successful Respondent's responsibility to complete the required registration with the Secretary of State. Please indicate the status of registration, if applicable. Please clearly state if you are registered and if not provide an explanation.

Grainger is a registered business with the State of Indiana Secretary of State and the Indiana Department of Administration. Grainger has a current registration to do business and has been doing business in the State of Indiana since 1944.

2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

Ben Nichols, VP Government Sales, is legally authorized by the organization to commit Grainger contractually. Please see attached Certificate, signed by the Corporate Secretary, verifying authority of the officer to sign.

2.3.8B - Ben Nichols - Authority to Sign Certificate

2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFP, and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes, and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the

amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list any subcontractor's name, address and the state in which formed that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority, Women, or Veteran Owned Business under IC 4-13-16.5-1 and Executive Order 13-04 and IC 5-22-14-3.5. See Sections 1.21, 1.22 and Attachments A/A1 for Minority, Women, and Veteran Business information. Purdue University recognizes Minority and Women Owned Businesses that hold a certification issued from any certification entity. While utilization of these subcontractors is highly encouraged, if they do not hold a State-issued certification from the MWVBE office, they will not count toward the MWVBE goals stated in Section 1.20.

Grainger will utilize the services of three diverse firms. One Minority and Women's Business Enterprise (WBE), one Minority Business Enterprise (MBE) and one Veteran Owned Small Business (VOSB) to assist in fulfilling the obligations of any resulting contract. Grainger will be transitioning our M/WBE Letters of Agreement to Master Reseller Agreements with each small business to exceed the State's goal of 8% MBE spend and 8% WBE and 3% for VOSB.

Grainger's Target Goals		
MBE	WBE	VOSB
15%	15%	10%
The total two year anticipated dollar per category* in Grainger's response for small businesses is estimated to be:		\$4,680,117.00
*General Industrial, Lighting, Plumbing and Safety Supplies		

Grainger recognizes the importance of Supplier Diversity. As responsible corporate citizens, we are committed both to supporting the growth of businesses owned by minorities and women, and giving these businesses the opportunity to compete for our business. It is Company policy to ensure this takes place. Grainger has more than 20 years of successful experience offering small and diverse companies opportunities through two core programs: **Supplier Diversity Program and Distributor Alliance (DA) Program.**



Grainger's Supplier Diversity Program Started in 1999, and is

designed to grow this sector of the economy while helping customers get their jobs done with quality products made by women, minority, disabled, veteran and LGBTQ-owned businesses. In 2017, 170 Certified Supplier Diversity businesses offered more than 38,000 items to Grainger’s U.S. customers. In 2016, Grainger customers spent approximately \$157 million on products supplied by these organizations.

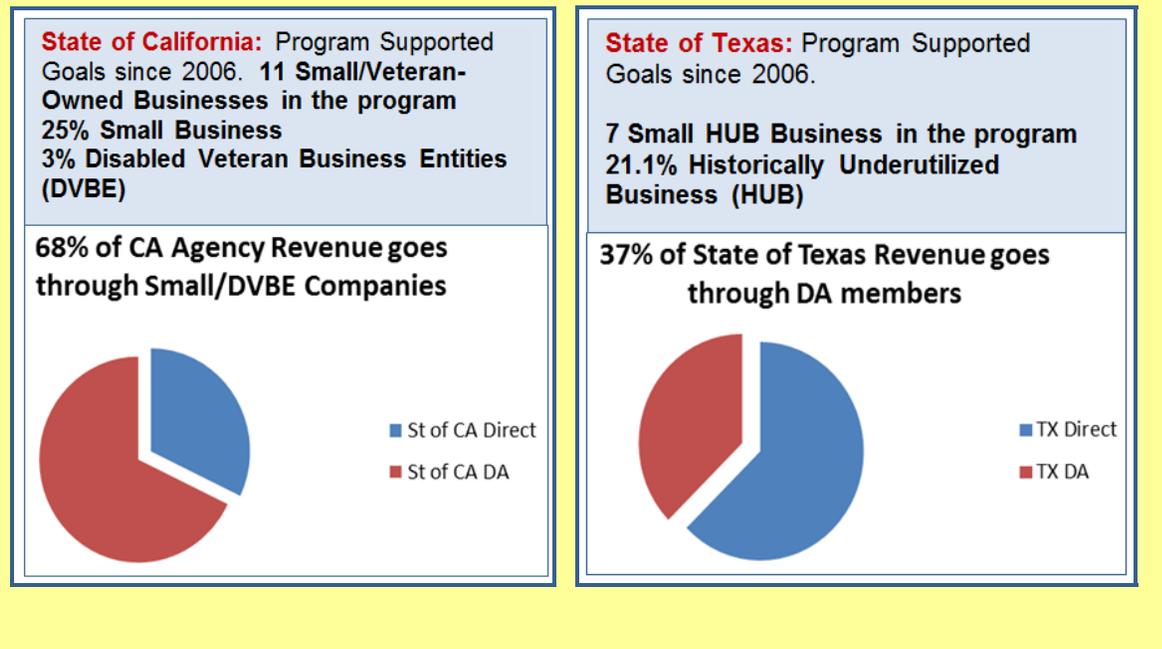
Grainger’s Distributor Alliance (DA) Program, since 2006 has helped customers support Diverse Business Enterprises while consolidating maintenance, repair and operating purchases. Over 60 DA members resell the full 1.7 million products offered by Grainger and provide services to customers with mandated procurement goals to support small businesses and provide employment opportunities to women, minority and veteran-owned businesses. The DA member is one of the many points of contact for the customer, including regional business managers who mentor the diverse DA members and act as a liaison between Grainger, the end customer and the DA.



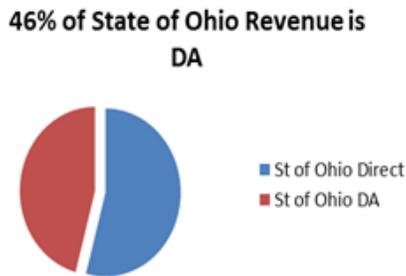
Grainger will help the State of Indiana’s end users identify MBE, WBE and VOSB products to meet their small business goals in the following ways:

1. Identify all small business products on the State’s punch-out online ordering solution
2. Develop co-branded marketing literature to present our small business subcontractors business type and overview of capabilities
3. Develop a banner on the State’s eCommerce home page to create additional awareness
4. Host onsite supplier days with our small business subcontractors

Presented below are successful small business programs with Grainger customers. In all cases, Grainger has helped the State customers meet or exceed their targeted diverse spend goals:



State of Ohio: Program Supported
 Mandate since 2006. 3 MBE Small
 Businesses
**15% Minority Business Enterprises
 (MBE)**
**5% Encouraging Diversity Growth &
 Equity (EDGE) Diverse Business
 Solution**



To help our customers achieve their diversity spend goals, Grainger provides a dedicated team of 14 employees who provide mentorship and support free of charge to all DA Members. Activities include:

- Training on customer business issues such as safety, sustainability, and emergency preparedness
- Quarterly Business Reviews which identify best demonstrated practices, areas of opportunity, and review sales strategies
- Product Training from Grainger and Grainger suppliers
- Grainger Core Value Proposition (CVP) training, which teaches DA Member how to identify and solve end customers' MRO procurement needs
- Interaction and joint sales calls with Grainger's sales and operations staff

Our selected diverse/small businesses will fulfill the following functions:

- Customer service
- Order taking
- Credits
- Returns
- Cross referencing
- Sales efforts in coordination with Grainger account managers
- Quotes
- Additional Services may be available

Grainger will be working with the following MBE, WBE and VOSB Subcontractors:

Name: Keltner Group, LLC



Keltner Group, LLC. was founded in 1993 by Eric Keltner. Keltner employees seasoned veterans with over 135 collective years of professional experience in the promotional products and employee incentive industry. Keltner Group, LLC. is a Service Disabled Veteran Owned Business specializing in Promotional Products, Web-based Company Stores, Employee Incentives, and Industrial Supply.

Address: 520 West Carmel Drive, Carmel, IN 46032

State in Which Formed: IN

Business Type: VOSB

Track Record of Providing MRO: Keltner Group, LLC has been in Grainger's DA program since November 11, 2011. They have provided MRO supplies within the defense contractor segment to companies such as Northrup Grumman and BAE Systems. In the healthcare industry, they have provided MRO supplies to American Senior Communities in Indiana for assistant living, independent living and nursing home facilities.

Name: Interstate Industrial Supply, Inc.



Interstate Industrial Supply, Inc. has been in business since 1996 and is listed in the Minority and Women's Business Enterprise Division as a certified Indiana WBE firm. They are also a Certified Woman Owned Small Business by both the State of Indiana as well as nationally.

Address: 4099 Royal Oak Court, Albany, IN 47150

State in Which Formed: IN

Business type: WBE

Track Record of Providing MRO: - Interstate performs MRO business throughout the State of Indiana. Our customers include correctional, environmental, government, healthcare, research, law enforcement, as well as hotels/casinos.

Name: Rite Quality Office Supplies, Inc.



Rite Quality Office Supplies, Inc. has been in business since 1989 and is listed in the Minority and Women's Business Enterprise Division as a certified Indiana MBE firm.

Address: 710 N. Washington St., Kokomo, IN 46901

State in Which Formed: IN

Business type: MBE

Track Record of Providing MRO: Rite provides maintenance, toiletry and chemical products to schools, rehabilitation center; Bona Vista Corporation and Northeastern Center and auto parts manufacturers; Blue Springs Metals and Indiana Automotive Fasteners.

Please refer to **2.3.9B – Interstate Industrial Supply, Inc. WBE Letters of Agreement** (4 – one for each category Grainger is bidding) and **2.3.9B - Rite Quality Office Supplies, Inc. MBE Letters of Agreement** (4 – one for each category Grainger is bidding) and **2.3.9.B– Keltner Group LLC VOSB Letters of Agreement** (4 – one for each category Grainger is bidding), including responsibilities under this proposal, anticipated dollar amounts for subcontractors, and indications from subcontractors to carry out responsibilities assigned to them.

Additionally please see Grainger's completed Attachment A (4 – one for each category Grainger is bidding) and **Attachment A1** (4 – one for each category Grainger is bidding) **and IEI Form Amended** (4 – one for each category Grainger is bidding) **for your review.**

2.3.10 General Information

Business Information	
Legal Name of Company	W.W. Grainger, Inc.
Contact Name	Brent Zinn
Contact Title	Sr. Government Sales Manager
Contact E-mail Address	Brent.Zinn@grainger.com
Company Mailing Address	100 Grainger Parkway
Company City, State, Zip	Lake Forest, IL 60045
Company Telephone Number	800-472-4643
Company Fax Number	847-535-9243
Company Website Address	www.Grainger.com
Number of Employees (company)	25,700
Years of Experience	92 years
Number of U.S. Offices	250 Branches, 13 distribution centers, four (4) contact centers, one (1) Headquarters, and miscellaneous other facilities.
Year Indiana Office Established (if applicable)	1944
Parent Company (if applicable)	NA
Revenues (\$MM, prior year)	\$10.4 Billion
Revenues (\$MM, two-years prior)	\$10.1Billion
% Of Revenue from Indiana customers	In 2017, Indiana customers spent \$178,000,000.00 with Grainger which is 2% of our total 2017 sales of \$10.4B.

2.3.10.1 Does your company have a formal disaster recovery plan? Please provide a *yes/no* response. If no, please provide an explanation of any alternative solution your company has to offer. If yes, please note and include as an attachment.

Yes. Please see **2.3.10.1B Grainger's Disaster Recovery Plan**

2.3.10.2 What is your company's technology and process for securing any State information that is maintained by your company?

The protection of data, including that of our customers and business partners, is important to Grainger. Grainger works to develop, implement and enhance Information Security controls, processes and policies and to leverage established information security industry frameworks. Grainger has chosen an internationally recognized information security management framework, ISO/IEC 27001, for strategic direction for the Grainger information security program and establishment of information security policies and procedures that align with that framework.

Grainger deploys a range of administrative, physical and technical safeguards to enable information security. For example, both internet-facing and critical internal systems are protected by firewalls, which allow us to segment our environments as needed. TLS and other encryption methodologies are used to protect sensitive data in transit. Additionally, the use of tokenization and encryption for specific data elements at rest help to protect against unauthorized use by third-parties. We also have privileged identity management tools and processes, privacy and security training programs, and corporate security incident response policies and protocols.

Grainger accepts credit cards as a payment method. As such, we are required by the card brands (Visa, MasterCard and American Express) to assess compliance against the PCI DSS standard. We perform that assessment annually and report to the card brands through our acquiring banks, as required by the standard.

Finally, Grainger undergoes an annual Information Technology General Controls (ITGC) audit under Section 404 of the U.S. Sarbanes-Oxley Act of 2002. This audit of Grainger’s ITGC processes is conducted by an external auditor and assesses that relevant IT controls are designed and operationally effective in mitigating IT risk. Processes for change management, logical access, and operations support and data integrity are among the IT controls audited and certified as to effectiveness. The resulting audit opinion is filed as an attachment to Grainger’s annual report to the Securities and Exchange Commission.

2.3.11 Experience Serving State Governments

Please provide a brief description of your company’s experience in serving state governments and/or quasi-governmental accounts. Disclose each state or jurisdiction in which Respondent does business or holds contracts to provide goods or services and the nature of each such business or contract.

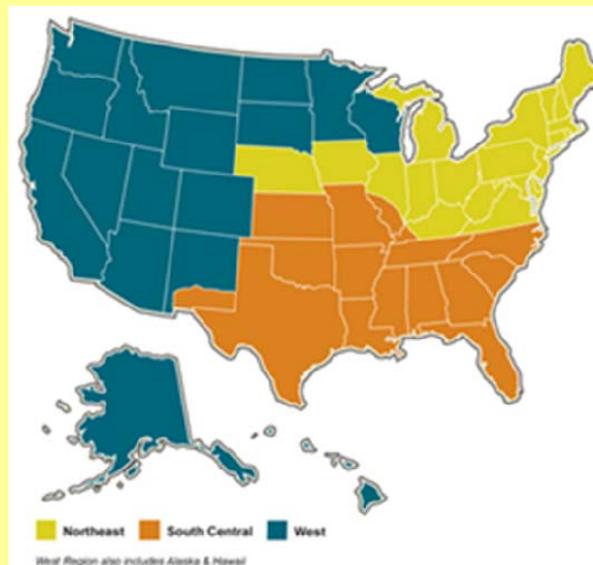
Government & Quasi-Government Experience

Grainger’s government business in 2017 was **\$1,337,000,000** (\$1.3B) which includes sales to our state, local, education and federal customers. To appreciate the breadth and extent of this business, Grainger has contracts with **48 states**, thousands of local government entities and the federal government.

Grainger’s Government Sales Organization

Grainger’s Government sales organization includes **dedicated** Government Sales Managers, and is an established a framework to address the State of Indiana’s Government customer’s contract management. In place since 2005, the government sales organization allows Grainger to focus on the unique needs of the government customer while gaining insight into and expertise in government procurement. Grainger’s dedicated representatives are aligned by region and each region is governed by a Regional VP. Grainger’s government team members are trained on the specific requirements of this segment including procurement integrity, ethics and contract compliance. For all customer-facing employees, Grainger provides a roadmap with the correct contacts, issues, and guidance on how to operate through the contract vehicle. Knowledgeable Grainger team members provide valuable support to Government customers to solve unique or new challenges and compliance issues.

Grainger’s Government Regional Sales Coverage



Government Specific Solutions

From state agencies to local municipalities, Grainger has built key solutions that go beyond MRO including: Department of Transportation, Corrections, Law Enforcement, Firefighting, Emergency Medical Services, and Waterworks.

Department of Transportation: Grainger has products and solutions compliant with the Federal Motor Carrier Safety Regulations and offers HAZMAT online courses to DOT shipping labels and handbooks—we've got you covered. Our solutions increase productivity, reduce maintenance backlog and increase the lifespan of your equipment and other assets. **Solutions include** Emergency Preparedness, Safety Services, Uniform Program and DOT Online Training



Corrections: Grainger offers food trays, inmate uniforms and mattresses to metal detectors, security cameras, energy-efficient solutions, and personal protective equipment. **Solutions include** Safety Services, Energy Efficiency, Facility Maintenance and Emergency Preparedness

Law Enforcement: Grainger offers thousands of items including tactical vests, cutaway armor, carrier vests and specific body part protective armor. **Solutions include** Safety Services, Uniform Programs and Emergency Preparedness.

Firefighting: Grainger offers firefighter gear, search and rescue equipment, and fire station essentials that meet or exceed industry standards. Grainger's After-Hours Emergency Services help the State's agencies get exactly what they need. **Solutions include** Emergency Preparedness, Uniform Program, Safety Services, and Inventory Management.

Emergency Medical Services: Grainger offers an extensive selection of EMS and rescue supplies designed to help comfort, manage and transfer patients during emergency situations, and bariatric boards, stretcher and first aid cots, immobilizers, trauma kits as well as CPR masks to help you safely and efficiently transport patients. **Solutions include:** Safety Services, Emergency Preparedness, Inventory Management and Uniform Program.

Waterworks: Grainger offers pumps, testing equipment and meters to blowers, lab supplies and personal protective equipment, we've got top-quality items to help you maintain your critical waterworks infrastructure. Solutions Include Security, Inventory Management, Energy Efficiency, and Emergency Preparedness.



Healthcare Experience

Grainger is the market leader in Healthcare and partners with healthcare facilities across the country in areas that go beyond lighting or safety. More than just products, Grainger has the services and expertise to help you comply with the EC, LS, EM and IC standards related to healthcare facility maintenance, including Biomedical, Emergency Management, Medical Equipment and Construction.

Grainger’s commitment: Since 2010, Grainger has focused and aligned program support to the unique Healthcare customer needs. Grainger’s Healthcare industry investment is evident in the following dedicated resources and capabilities:

1. Grainger’s **300 dedicated Healthcare sales and support team members** receive extensive training, including compliance training, to understand the unique, current and ongoing Healthcare compliance requirements such as above ceiling penetrations, fires and smoke dampers or smoke and fire doors
2. **Strategic solutions** that meet specific unique Healthcare requirements in areas such as the patients experience, facility efficiency and emergency reediness.

Healthcare

Products, Services and Resources to help Manage Your Healthcare and Senior Living Facilities

PATIENT EXPERIENCE	FACILITY EFFICIENCY	EMERGENCY READINESS
From lighting to infection prevention, we can help you maintain quality and costs.	Keep your facility clean, safe and running sustainably.	Essential products to help you react to and mitigate emergency situations.
Learn More	Learn More	Learn More

These solutions are available on graing.com and continually updated as new information, brands, suppliers and product are identified to meet **unique** needs. Grainger offers products and sub-products that we combine as a bundled offering.

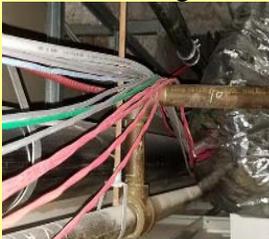
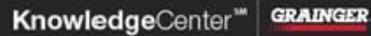
3. **Interaction with Professional Membership Groups** (PMGs) such as American Society of Healthcare Engineers (ASHE) and the Association for Healthcare Environment (AHE) on national, regional and local levels to deliver insight and education to the Healthcare industry

4. **Industry leading customer online training** provided on Grainger.com 24/7 to provide customers access to the latest industry developments without having to attend an

TOPIC	View recording
Aggression Management Training for Healthcare	View recording
The Pulse of OSHA's Healthcare Sector's Top 10 Most Frequently Cited Standards for Fiscal 2017	View recording
Healthcare Active Shooter: Prevention & Response	View recording
The CIG Final Rule on Emergency Preparedness	View recording
People/Process/Place: Enhancing the Patient Experience through the Built Environment	View recording

offsite conference

5. Grainger’s online **Healthcare Knowledge Center** presents a library of industry articles tackling today’s Healthcare challenges including photos of compliant facility improvements



HOSPITAL SPRINKLER SYSTEM VIOLATIONS ON THE RISE



HOSPITALS GOING GREEN—IMPROVE PATIENT HEALTH AND BOTTOM LINE



Incorrect firestopping



Correct firestopping

Government Diverse Supplier Requirements: Grainger has over 20 years of successful experience offering diverse companies opportunities through two core programs.

1. *Grainger’s Small and Diverse Supplier Program* affords customers with access to diverse (ESB/MBE/WBE/DV & DBE) manufacturers and suppliers through our catalogs and distribution channels. Products provided by diverse manufacturers and suppliers are identified as part of the supplier diversity program with the following symbol.

2. *Grainger’s Distributor Alliance Program* enables diverse companies to assist government agencies to meet their MRO product and service requirements. In the Distributor Alliance reseller program, the State’s agencies can leverage these companies’ experience and expertise to meet diverse goals. Grainger has actively supported diversity spend programs for more than 10 years and currently is contractually partnered with more than 60 certified resellers across the country.

Grainger managers review small, diverse, supplier profiles when examining product opportunities generated by our government customers. Through our robust ERP and SAP systems, Grainger can track all Indiana agencies’ purchases of product and services and provide agencies with reporting that addresses their purchases from our small, diverse suppliers and Distributor Alliance contractual partners.

2.3.12 Experience Serving Similar Clients

Each Respondent is asked to please describe your company’s experience in serving clients of a similar size to the State that also had a similar scope. Please provide specific clients and detailed examples.

Grainger currently holds state maintenance, repair and operations (MRO) contracts with 48 states. The examples below highlight some of our current state contracts that we hold and which are similar in scope to the State of Indiana MRO contract that will result from this RFP:

State of Michigan

Grainger has been supporting the State of Michigan with a mandatory contract since July 10, 2007. In September 2015, Michigan selected Grainger as their sole contracted broad-line

Maintenance, Repair and Operations (MRO) supplier. Michigan’s determination to consolidate MRO spend with Grainger was a best value determination based on the state agencies’ input, past performance, Grainger’s broad-line offering, next-day logistics, emergency response capabilities, account management and customer service structure. Grainger’s capabilities have yielded greater contract compliance for the State of Michigan with 2017 contract sales of \$15 million. The State of Michigan is in the process of finalizing another sole, broad-line, MRO contract award that has the potential to extend our relationship for another five years to June 30, 2023.

State of Virginia

Grainger has been supporting the Commonwealth of Virginia on its current multi-award MRO contract since 2014. Currently in its 4th year, one year remains on the contract. Grainger supports the Virginia’s agencies to meet their diversity goals through our Distributor Alliance program. In 2017 annual sales for Grainger were over \$10 million. Grainger also supports Virginia’s eCommerce goals with a punch-out catalog for all state agencies. While the original contract was awarded to three suppliers, one supplier has been de-barred for non-compliance. The Commonwealth is currently considering extending the contract for a 5th year by affiliating to Grainger’s newly awarded NASPO ValuePoint award.

State of North Carolina

In 2014, North Carolina coordinated with a third part consulting group to solicit a sole-source MRO contract. Grainger was awarded the State of North Carolina contract in January 2015. We are currently in the fourth year term of the contract with an additional one year term available through 2019. North Carolina is currently considering a 5th year and final term for 2019. In the state’s original solicitation, estimated spend was \$28M million over the five year term and this number was surpassed in May, 2018.

2.3.13 Indiana Preferences

Pursuant to IC 5-22-15-7, Respondent may claim only one (1) preference. For the purposes of this RFP, this limitation to claiming one (1) preference applies to Respondent’s ability to claim eligibility for Buy Indiana points. **Respondent must clearly indicate which preference they intend to claim. Additionally, the Respondent’s Buy Indiana status must be finalized when the RFP response is submitted to the State.**

Buy Indiana

Refer to Section 2.7 for additional information.

Grainger claims preference under category 4.

From: Buy Indiana Economic Investment [<mailto:buyindianainvest@idoa.IN.gov>]
Sent: Friday, November 17, 2017 2:22 PM
To: Zinn, Brent; Buy Indiana Economic Investment
Subject: RE: Buy Indiana Certification

After review of the information submitted, WW Grainger Inc. qualifies under category #4 for Buy Indiana. This email serves as your confirmation and [expires 11/16/2018](#).

Thanks.
 Indiana Department of Administration

Please see screen shot below.

ORACLE
Favorites | Main Menu > Manage Events and Place Bids > My Bidder Information

Home | Add to Favorites | Sign out

Bidder Welcome | Bidder Registration | **Buy Indiana** | IVBE/MBE/WBE & Small Business | Addresses | Pay Audit Contacts

New Window | Help | Personalize Page

SetID: STIND Bidder ID: 000003091

Please select the category that most closely represents the status of your business with the State of Indiana.

Buy Indiana Certification

- A business whose principal place of business is located in Indiana.
- A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- A business that employs Indiana residents as a majority of its employees.
- A business that makes significant capital investments in Indiana.
(To select this option your company must have received a confirmation email from buyindianainvest@idoa.in.gov)
- A business that has a substantial positive economic impact on Indiana.
(To select this option your company must have received a confirmation email from buyindianainvest@idoa.in.gov)
- Business does not qualify as an Indiana Business

You must check the box acknowledging acceptance of your certification. Failure to check the certification box will cause your business to be classified as an Out of State business.

- I certify that the information provided above is true and accurate as of the time of this registration. I further understand that using any false or misleading information may result in prosecution for fraud, revocation of certification, and having this business placed on a suspension list barring it from contracting or doing business with the State of Indiana or any of its agencies.
06/03/13 10:12:45PM EDT
- A BuyIndiana listing will let other businesses find you based on the goods and services you are interested in providing to them. To be listed you must indicate you want a listing and you must be an Indiana Business.
- I want my business to be listed as an Indiana Business in the "Buy Indiana" Directory.
- I certify that the information provided in this registration is true and accurate as of the time of this registration. I further understand that registration using any false or misleading information may result in prosecution for fraud, deletion from this website, revocation of registration, and having this business placed on a suspension list barring it from contracting with the State of Indiana or any of its agencies.

2.3.14 Payment

Respondent should be able to accept payment by credit card as an optional form of payment, but should be able to accept other forms of payment from the State as well. In the Respondent's proposal, the Respondent should agree to accept any credit card-user handling fees associated with acceptance of the State's Purchasing Card. Please demonstrate how your company will meet this requirement of accepting payment by credit card as the only form of payment if the State chooses to implement this policy.

Grainger confirms we accept payment by credit card and agree to accept any credit card-user handling fees. We will also accept electronic payment through PeopleSoft via EFT or EDI transactions.

The State of Indiana Indiana Department of Administration Procurement Division

Maintenance, Repair, and Operations (MRO) Products REQUEST FOR PROPOSAL 18-038

Technical Proposal COPY

SUBMITTED BY:

Brent Zinn
Sr. Government Sales Manager
W.W. Grainger, Inc.
Brent.Zinn@grainger.com

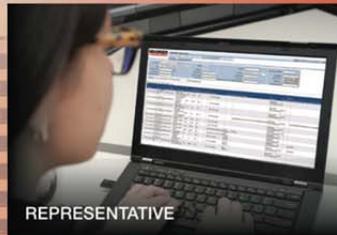
DUE DATE: June 12, 2018 • 3PM EST



BRANCH



KEEPSTOCK[®] SOLUTIONS



REPRESENTATIVE



MOBILE APPS



©2018 W.W. Grainger, Inc.

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**RFP 18-038
TECHNICAL PROPOSAL
ATTACHMENT F**

Instructions: Please supply all requested information in the areas shaded yellow and indicate any attachments that have been included to support your responses.

2.4.1 General Requirements and Definitions

2.4.1.1 Please confirm your understanding and acceptance to all definitions and abbreviations listed in RFP Section 1.2.

Grainger confirms understanding and acceptance to all definitions and abbreviations listed in RFP section 1.2.

2.4.1.2 Please list any additional terms and definitions used by your company or industry that you would like the State to consider incorporating in the contract. The State will not accept terms and definitions introduced after award during contract finalization and implementation.

Original Text:

List Price: The lowest available price at which the Respondent sells the product within Respondent's Standard Offerings without a discount.

Grainger definition for List Price:

~~List Price: The lowest available price at which the Respondent sells the product within Respondent's Standard Offerings without a discount. Respondent will no longer compute percentage-off discounts off of the Respondent "list" price previously set forth on Respondent's Website, Respondent's Catalog or any other electronic or published media, and all references to "list" price are superseded by use of Respondent's Contract Reference Price. All percentage-off discounts for Catalog Products shall be deducted from the Contract Reference Price in effect at the time the Catalog Product is purchased by the State from Respondent. Current Contract Reference Prices for Catalog Products shall be available when the State logs into its account on Respondent's Website.~~

2.4.1.3 Please confirm you have carefully reviewed all requirements listed in RFP Section 1.4. Should your company have any exceptions, substitutions, or conditions for the State's consideration, please list them below. The State will not accept exceptions, substitutions, or conditions introduced after award, during contract finalization and implementation.

Grainger has reviewed all requirements listed in RFP Section 1.4.

2.4.2 Online Capabilities and Ordering

2.4.2.1 Please provide a detailed description of all “punch-out” catalog functionality currently available and actively being used with current customers.

Grainger offers the following eProcurement solutions and services to provide a punch-out catalog solution currently available and actively being used with current customers:

Per the RFP, the State of Indiana requires integration to **PeopleSoft**. Grainger offers the ability to integrate its online catalog and buying process directly to customers’ Enterprise Resource Planning (ERP) systems such as PeopleSoft. Customers who wish to “Punch-Out” directly from their ERP can access Grainger’s online catalog and return the shopping cart back to their purchasing system to manage the order workflow.

To ensure proper integration, Grainger will conduct a scoping call with our e-business integration team to determine specific need and customization. Our experience with **over 132** customer platforms gives us an end-to-end integration capability to streamline processes and provide cost savings through productivity enhancements and reduction of direct ordering cost. We have a dedicated team of experts that will assist with customization and implementation.

Grainger also supports the following transactions consistent with standard PeopleSoft CXML documents:

- Invoice
- Payment
- Remittance Advice
- Purchase Order
- Purchase Order Acknowledgement
- Ship/Bill Notice
- Functional Acknowledgement



Detailed Description of Grainger’s Punch-Out Catalog Functionality integrated to PeopleSoft:

- **Ordering 24 hours per day** – Online customers can send orders anytime
- **Your specific Grainger Agreement pricing**
- **Easy and Secure Ordering** - Grainger’s encryption technology ensures secure online ordering and payment processing by encrypting customers’ critical financial information before transmission
- **eQuotes** provides the State, K12, and local entities’ of Indiana with the ability to receive electronic quotations directly on their eProcurement punch-out
- **Search Functionality:** Grainger.com’s unique advanced Search feature allows the State’s end users to search by:
 - Keywords
 - Customer part number
 - Competitor part number
 - Brand

- Product category
- Grainger catalog page number
- Grainger item number
- Manufacturer part number
- Previously purchased item

You searched for **dewalt 20v cordless drill with 1/2" chuck**

1 result found that includes 14 products in Cordless Drills with 4 filters applied. See more results for dewalt 20v cordless drill with 1/2" chuck.

FILTER RESULTS BY

Viewing as List Table

APPLIED FILTERS [Clear All](#)

Brand
 DEWALT

Chuck Size
 1/2"

Corded/Cordless
 Cordless

Voltage
 20.0

Search within these results

PREVIOUSLY PURCHASED

View Previously Purchased Products

BRANCH AVAILABILITY

Select a pickup branch to see products in stock now.

VOLTAGE

18.0 (4)

20.0 (14)

NUMBER OF BATTERIES

DEWALT Cordless Drills

Lightweight, ergonomically designed DeWalt drills aim to give you through your longest, toughest days.

12V— XRP Series drills offer faster speeds and longer run times, w and 3-speed transmissions. MAX Series have LI-Ion batteries for ev easy battery changes.

18V— drills are available with 18V LI-Ion or NiCd batteries. XRP Se with a durable metal gearcases, metal ratcheting chucks, and 3-spe power in a lightweight package that fits into tight spaces.

20V MAX— high-power tools have up to 57% more speed and 35% tools, for heavier-duty applications.

Brands
DEWALT

Chuck Size	Number of Batteries	Cordless Tool Battery Type	Battery Capacity	Series
1/2"	0	LI-Ion	None	20V MAX Compact
1/2"	0	LI-Ion	None	20V MAX Premium
1/2"	0	LI-Ion	None	20V MAX Premium
1/2"	1	LI-Ion	2.0 Ah	-
1/2"	1	LI-Ion	2.0 Ah	-
1/2"	1	LI-Ion	2.0Ah	12V MAX
1/2"	1	LI-Ion	5.0Ah	20V MAX/TKR

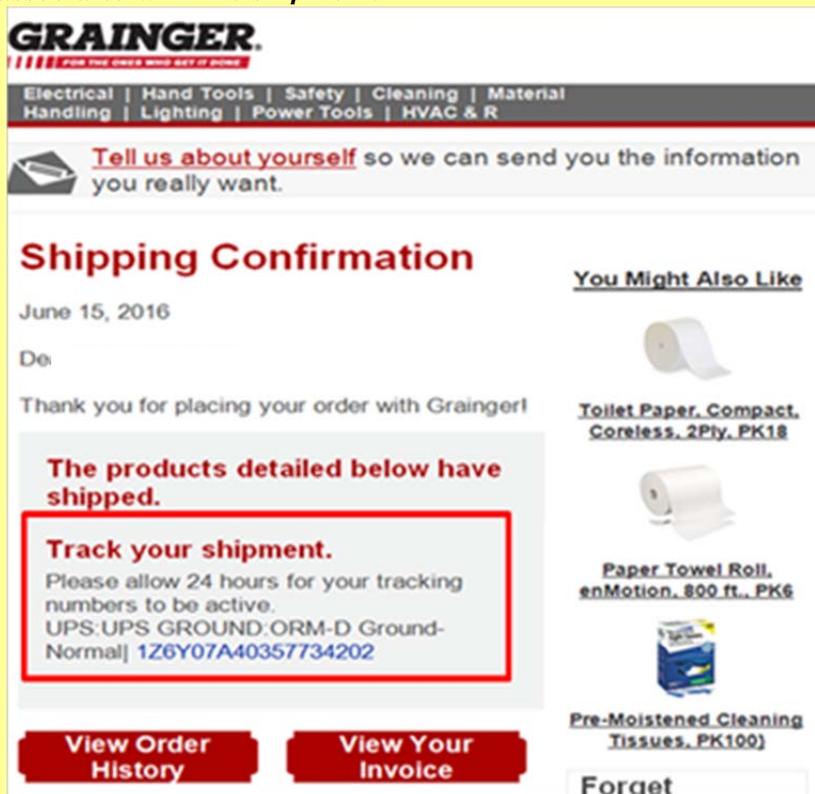
Search features include enhancements to better identify and filter by relevant tech specs. An end user could also select to view previously purchased or branch availability ① to find products.

- **Product Availability:** When any end user completes an online order, the system will show real time product availability.
- **Order Confirmation:** Is sent to the end user via email for each order placed and contains expected shipping date.
- **Product technical support:** End users can email a product question directly to Grainger online. The questions are forwarded by email, to the appropriate subject matter expert, who in turn responds.
- **Global Safety Data Sheets (GSDS) and Catalog requests:** View or print GSDS.
- **Personal Lists** – Provide the opportunity to create personalized lists of frequently purchased items and share those with others on the account for simplicity of repeat ordering.
- **Electronic Invoicing:** Electronic invoices can be sent; Customer can view all invoices online and view payment status for all invoices. (This feature is available on grainger.com,

not end user's punch-out)

- **Custom Home Page or Landing Page:** Grainger can customize the user experience by enabling customer specific content on the home page of customer's punch-out or Grainger.com. Grainger can also set certain pages as the default landing page which provides the customer more ability to customize content for end users.
- **Shipping Confirmation:** A shipping confirmation is sent to the end user when the order ships from our distribution center.

Tracking information can be accessed from the shipment notification. Customers can also review the specific invoice associated with the shipment.



- **Diversity Products:** Grainger.com offers easy access to a wide range of quality products from small, disabled, minority, and women-owned businesses that participate in Grainger's Supplier Diversity Program. Once the words "supplier diversity" are entered in the grainger.com search bar, the end user has access to the full assortment of products available from our diversity manufacturers
- **Payment:** Electronic payment can be made via EFT or EDI transactions.
- **Item Comparison:** Products and their attributes, including price, are arranged in an easy-to-read chart for fast comparison and selection. Use of your Grainger account number while navigating our website ensures an accurate comparison of your discounted pricing for each item.

Product Compare

< Back

Item # Add **1** **4** Remove All Items

Products Overview

3 Remove item	Remove item	Remove item	Remove item	Remove item	
Item 2AEV6 DEWALT Cordless Impact Driver Kit, 18V, 1/4 in.	Item 22UT48 MILWAUKEE Cordless Impact Driver Kit, 18V, 1/4 in.	Item 4NNL1 MAKITA Cordless Impact Driver Kit, 12V, 1/4 in.	Item 14F077 MAKITA Cordless Impact Driver, 18V, 1/4 in.	Item 5YHR3 BOSCH Cordless Impact Driver Kit, 12V, 1/4 in.	
Price \$455.50 / each	Price \$388.00 / each	Price \$169.00 / each	Price \$312.75 / each	Price \$205.25 / each	
Qty <input type="text" value="1"/>	Qty <input type="text" value="1"/>	Qty <input type="text" value="1"/>	Qty <input type="text" value="1"/>	Qty <input type="text" value="1"/>	
Add to Cart	Add to Cart	Add to Cart	Add to Cart	5 Add to Cart	
Mfr. Model #	DC827KL	2657-22	DT01W	XPT03Z	PS41-2A
Catalog Page	954	960	975	972	980
Product Rating	☆☆☆☆☆ Be the first to write a review	★★★★★ 5.0 of 5 1 review Write a Review	☆☆☆☆☆ Be the first to write a review	☆☆☆☆☆ Be the first to write a review	★★★★★ 4.8 of 5 113 reviews Write a Review
Country of Origin	Mexico	China	China	Japan	Malaysia
Compliance Notes					

1 Add any of the selected products to the shopping cart.
2 You can print or share this page through an email.
3 Remove any item from the compare list.
4 Clear all items from product compare.
5 After completing all the fields, click “Add” and you’re DONE.

2.4.2.2 Please detail your company’s on-line ordering system’s capability to allow buyers to simply re-order (e.g. order templates, item lists).

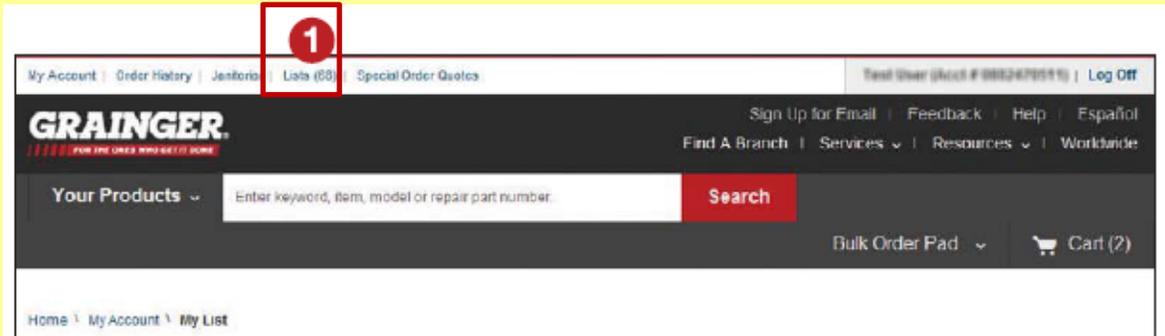
The State’s end users and buyers will have the ability to quickly re-order items with several grainger.com capabilities:

1. Personal Lists & Shared Lists
2. Search Previously Purchased Items
3. Bulk Order Pad

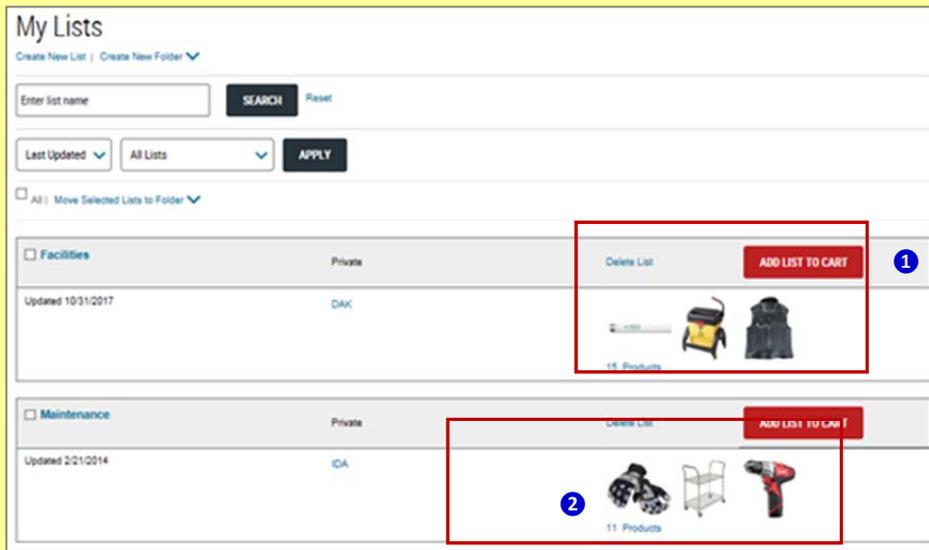
1. Personal Lists & Shared Lists: The State’s end users can create “Personal Lists” on Grainger.com and punch-out integrations for frequently purchased items. End users can place orders and reorders quickly from their personal lists with just a few clicks.

This functionality allows end users to:

- Quickly access all personal or shared lists from the top of every page on Grainger.com. ①



- Create lists by product category, service location, usage, or specifications and then organize those lists in folders
- Order directly from their list by clicking "Add to Order" next to any item
- Assign a location to a list allowing for easy access of that list from the Grainger Mobile app
- Add min/max quantities, bin locations, and print labels of the items in your list for easy inventory tracking
- Share lists with other people on the same account, so they can view and order from other end user's Personal Lists
- Add or delete products on the list, combine lists or organize lists in multiple folders
- Shared usage of these easy-to-access lists can assist end users in consolidating product orders, avoiding duplication and driving product standardization to reduce costs
- Automatically defaults a shipping location (If needed, can quickly be updated in the shopping cart during checkout)



Customers can easily reorder their entire list ① or individual items from "My Lists". ② This list shows this customer has 11 different products listed in the Maintenance list.

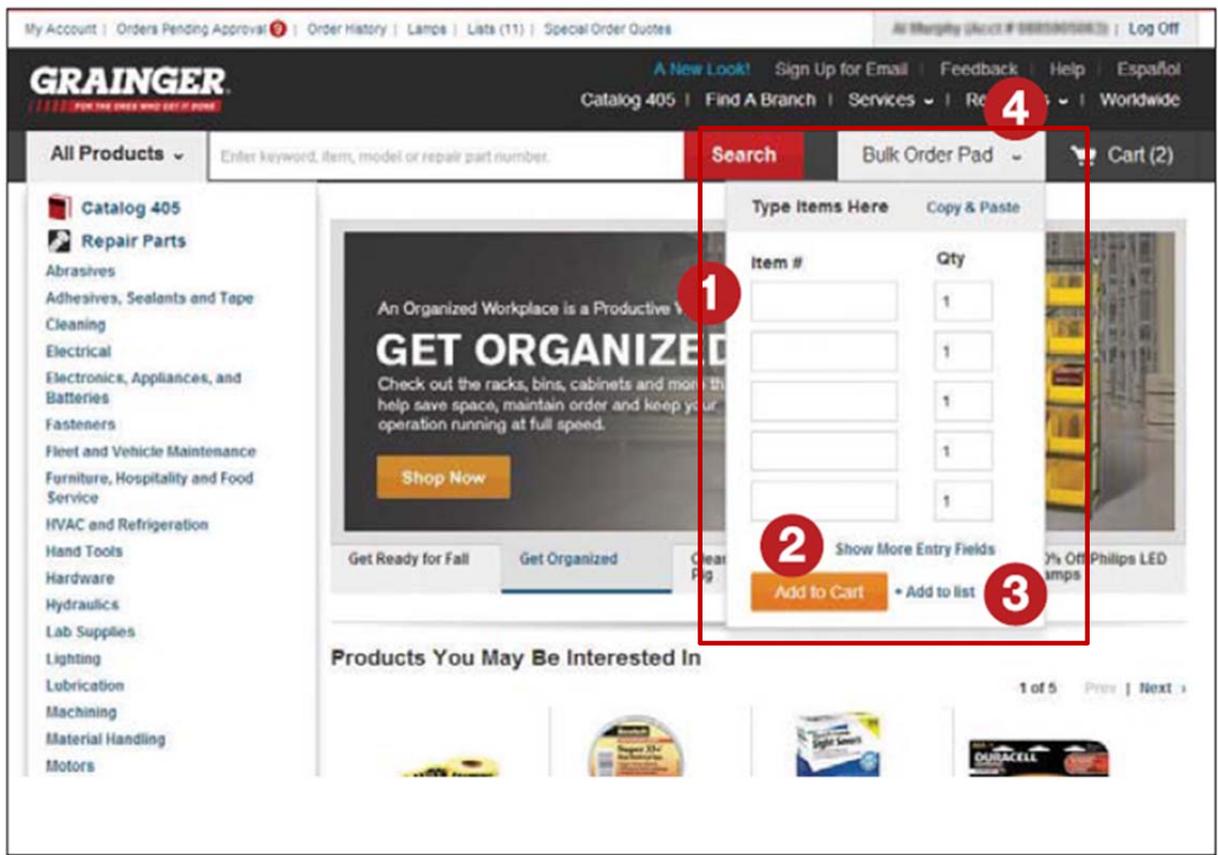
2. Search Previously Purchased Products: If an end user did not add an item to a personal list, they can search for previously purchased products to allow for a quicker re-order.



3. Bulk Order Pad: Quickly add items to your cart or list by entering Grainger item numbers and quantities via the Bulk Order Pad.

- ① Save time by quickly entering items as needed.
- ② Show More Entry Fields Quickly transfer your selections from an offline list or document.
- ③ Items added to the Bulk Order Pad can be quickly added to a Shopping Cart or a List.
- ④ Access the Bulk Order Pad from any page on the ribbon

Quickly add multiple (up to 45) items to your cart and to your list from any page on Grainger.com®



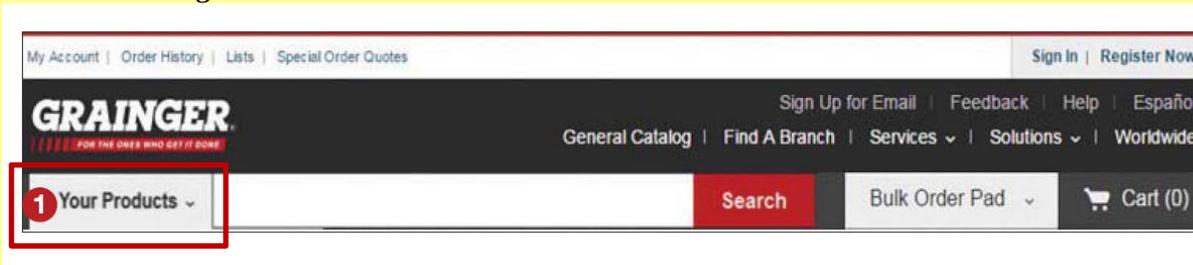
2.4.2.3 Please indicate your willingness to extend all provided pricing to other governmental bodies.

Grainger’s offer will extend to all State of Indiana entities, K12, local entities and other Indiana governmental bodies.

2.4.2.4 Please describe in detail your company’s ability to restrict products viewed or purchased within the State “punch-out”. These items must remain available to other governmental bodies that will not be restricted in their purchases. Please make sure your description indicates if this can be done by item, product type, or any other possible categorization.

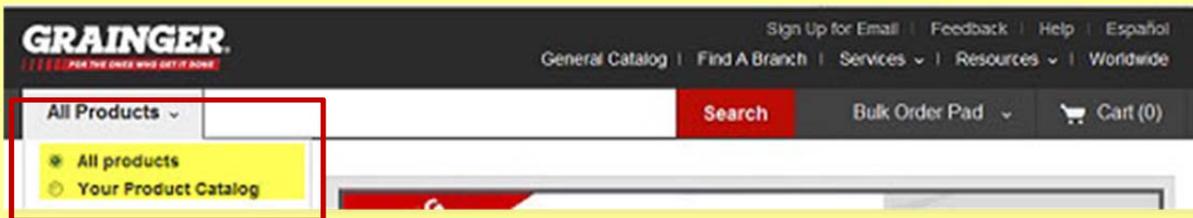
Grainger is fully capable of restricting the products viewed or purchased within the State “punch-out”, while still making all products available to other governmental bodies via a custom catalog. Grainger’s **Custom Catalog** provides end users with a tailored view and search of online products. A custom catalog helps manage contract compliance and helps to limit spend to pre-selected products for consistency and maximum savings. There are multiple options of the custom catalog available with different levels of restriction. Grainger can also manage the visibility and purchase capabilities for various Government bodies by administering multiple custom catalogs at the account level.

Custom Catalog



1 Search only within the Custom Catalog. If approved by the specific governmental body, Items outside of the governmental body’s Custom Catalog can be ordered through the Bulk Order Pad or through a different version of the custom catalog.

The State, K12 and local agencies can choose to only have their specific custom catalog available to end users as shown above, or make their specific custom catalog as well as the Grainger general catalog available for end users as shown below.



Grainger has the capability of restricting products at a variety of levels including the item, subcategory, category, brand, UNSPC code as well as additional levels.

2.4.2.5 Please describe in detail your company’s ability to identify items as Market Basket and suggest Market Basket items when non-Market Basket items are selected during the ordering process. Can these suggestions be tracked to show savings realized or passed upon?

All market basket products will be clearly identified on Grainger.com with a red **K** or your **specific logo** that will help users easily search for those products online at Grainger.com. Users will be able to see all products in the market basket or search Grainger’s entire General Catalog online, enabling users to easily take advantage of the contract benefits.

While Grainger does not currently have the functionality to suggest a specific corresponding market basket item when an agency buyer selects a higher priced alternative, we do have the capability to recommend lower cost alternatives from the general online catalog of 1.7 million SKUs,

Grainger’s current functionality can suggest multiple alternative products that might be of interest to buyers and also display a comprehensive list of market basket items that buyers can reference at any time. Besides recommending lower cost alternatives during the ordering process, we have several on-line features that can assist the State, K12, and local entities’ in identifying lower cost products.

2.4.2.6 What tools or services does your company provide to assist the State in managing demand to market basket items or other equivalent-quality, low cost products?

Grainger will provide detailed reporting summarizing all State purchases. From these reports, Grainger will identify items purchased most often. We will compare these items to the items in the market basket to determine potential items to add to the market basket as well as recommendations on lower cost alternatives. Please see attachments **2.4.2.6T Sample IPH - Item Purchase History Report**, **2.4.2.6T Sample PBL – Purchase By Location Report**, **2.4.2.6_T Sample Grainger Customer Report Card**, and **2.4.2.6.T Sample CSA – Cost Savings Analysis Report**, in the Confidential Information.

2.4.2.7 How does your company display backorders on-line? If your company does not have the capability, please provide an explanation of any alternative solution your company has to offer.

The screenshot displays a product detail page for a 'Cast Iron 18" Straight Pipe Wrench, 2-1/2" Jaw Capacity'. The product is shown with a red handle and black jaws. The price is listed as \$55.50 per unit. A quantity of 1 is selected, and there is an 'ADD TO CART' button. A shipping notification box, highlighted with a blue border, indicates the item is 'Expected to arrive Tue. May 15' and is to be shipped to '60045'. A 'Replacement Parts' link is also visible at the bottom of the product area.

The State, K12 and local agencies will receive information on the expected arrival date for each item throughout the shopping experience. The illustration above appears on the item detail page, but this information is available on the cart page as well.

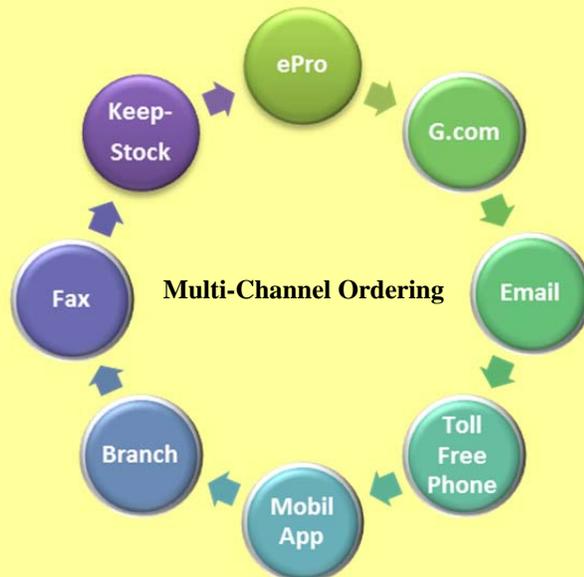
Another mechanism for identifying the status of an order on-line is through our “order status” feature on Grainger.com. This feature provides the State, K12, and local entities’ of Indiana with visibility to orders placed on and outside of the website. It can be used to:

- Check the status of your on-line orders by date, PO number, on-line reference number or item number
- Check status of orders placed offline
- Use your PO number to check the status of orders you placed by phone, fax or at a branch
- Transfer your order information to UPS, FedEx, DHL, or USPS for instant shipping information
- Track orders shipped via UPS, FedEx, DHL, or USPS
- Each order will display one of the following :
 - **Not Yet Shipped** - The order is being prepared for shipment/pickup
 - **Backordered** - The order cannot be filled because not all items are currently available
 - **Partial Order Filled** - Parts of the order have been picked up or given to the carrier for shipping; there are still parts of the order left to fulfill
 - **Shipped/Picked Up** - The order has been filled and picked up by the customer or given to the carrier for shipping
 - **Cancelled** - The order has been cancelled by the customer

2.4.2.8 Some other governmental entities with access to this contract may prefer to use email/fax/telephone to submit orders. Please describe your ability to use email/fax/telephone to take orders for these entities.

Grainger’s multi-channel platform allows customers to utilize the option that best meets their needs and preferences. Grainger can process orders through any of the following channels:

- eProcurement / PeopleSoft
- Grainger.com
- Email
- Toll Free Phone
- Mobile App
- In Branch Purchase, Counter or Will Call Service
- Fax
- KeepStock Inventory Management



2.4.3 Data Management and Integrity

2.4.3.1 Describe in detail the process or processes your company uses to update and maintain catalog data, including correction of pricing and product errors.

Catalog Data: Grainger's Content Maintenance Team is responsible for updating and maintaining product information for 1.7 million SKUs. Working in conjunction with our Merchandising teams and more than 5,200 catalog suppliers, the Content Maintenance Team ensures that product information displayed on-line is up to date and accurate. Our catalog suppliers are required, under their contracts with Grainger, to update information on their products whenever there is a change. These suppliers have access to Grainger's product information portal and can enter the portal to update information on their products. Once new information has been input, Merchandising team members work to validate this information with the supplier.

Upon validating the new information, the Content Maintenance Team will update the product information in STEP, our item management system. Once STEP is updated, the new product information will flow into SAP and onto Grainger.com. This process, along with the supporting systems ensures that the product information displayed on-line is up-to-date.

Pricing Data: Grainger manages pricing through two connected teams. Grainger's Pricing Team manages changes to Grainger's Contract Reference Price (CRP). The Large Customer Pricing Team manages changes to individual customer's unique pricing; discount programs, quotes, market basket pricing.

Grainger's **Contract Reference Price (CRP)** is managed on a periodic schedule and may change up to three times per year. These changes can include increases as well as decreases depending on the item, Grainger's cost and market conditions. Changes in Grainger's cost do not necessarily mean a change in the CRP price. Grainger's strong financial condition and our close relationships with our supplier partners often allow Grainger to derive better pricing from our key suppliers. When the CRP price does change, we may have some risk of error given the manual effort in loading the CRP price into the system. This can occur on rare occasion despite the multiple checks built into the process. Similar manual processes can also result in errors for a customer's specific pricing as well. Again, this is very rare because of the system and process checks in place to validate the accuracy of a customer's pricing.

However, on rare occasions when an error is discovered, and root cause of the error, the Merchandising team works directly with Pricing Analysts to update the CRP in our SAP system, which subsequently updates Grainger.com. If a pricing error is specific to a customer's individual pricing program, the Sales Support organization will adjust the coding in the system to ensure changes are made to ensure accurate pricing going forward. To the extent that a credit is owed, Grainger will issue the customer a credit for the difference in price paid and the price that should have been paid.

2.4.3.2 How does your company maintain data integrity? For example, how would changes to the State specific catalog be prevented?

Grainger has specific policies, processes and guidelines to maintain data across the enterprise. Specifically, Customer Data is treated and valued as a Company asset. We optimize, protect and leverage our Customer Data through management of people resources, processes and technology.

Customer Data Integrity – People Resource Management:

- To prevent Grainger team members from having inappropriate access to data (including customer data) Grainger provisions team member access using the principal of least privilege.
- To ensure that the Grainger team members’ access to customer data is appropriate, those users requiring broader access to customer data to perform their job responsibilities must obtain additional approvals
- Individuals and teams are regularly trained on data privacy and data security

Customer Data Integrity – Defined Processes:

- Processes and data-flow maps allow for effective and accurate management of Customer Data within and between Grainger systems.
- Processes have been implemented for making customer data changes, including obtaining required approvals. These processes include changes to customer specific catalogs which are hosted or used for punch-out.
- These processes, along with user access controls, enable the right information to be entered into the System only by authorized users.

Customer Data Integrity – Technology:

- Grainger has deployed technologies to protect and secure Customer Data (including specific Customer On-line/punch-out Catalogs) within Grainger systems.
- Data security protocols are in place and only authorized personnel have access to the data. Even with this access, changes can only be made with the required approvals from leadership

Based on the protocols above, Grainger can assure that no changes to the State of Indiana’s hosted or punch-out catalog will be made unless there is a prior approval from the designated contact within the State of Indiana. No changes can or will be made without the expressed written approval by the State, K12, and local entities’ of Indiana.

2.4.3.3 How does your company handle notification of any changes in unit of measure or item description that occur, even if a SKU number or manufacturer number does not change?

Grainger is committed to a great customer experience. If a manufacturer changes a product materially such as a UOM, Grainger will work with the supplier to create a new item number. Grainger will continue to sell the original quantity with the original item number with the different UOM identified in the product descriptions.

With over 1.7 million products available on-line, item descriptions are constantly being revised and improved to enhance the on-line shopping experience for our customers. Grainger could quickly overwhelm our customers if we were to notify them of every item description change or unit of measure addition. As a result, we do not communicate these changes to our customers.

2.4.4 Market Basket

2.4.4.1 Please confirm your understanding of the Market Basket composition review process as described in the RFP. Please describe the process your company will take in preparation for these quarterly reviews and how you will select items for the State's consideration (to add or remove to/from the Market Basket).

Grainger confirms our understanding of the Market Basket composition review process as described in the RFP.

Grainger is dedicated to driving cost out of our customers' businesses. To accomplish this, Grainger suggests quarterly Business Review Meetings with the State, K12, and local entities' and members of Grainger's Government Sale's Team led by Brent Zinn, Sr. Government Sales Manager, primary Point of Contact for the State.

In preparation for this meeting, Grainger will review and assess the customers' preceding quarter purchases and will, based on most frequently purchased product, recommend adding and/or deleting product from the market basket (which consists of a fixed number of products) to ensure the customer receives market basket discounts on the most frequently purchased products. We will also recommend ITEMS THAT PROVIDE ADDITIONAL SAVINGS BEYOND WHAT YOU ARE PURCHASING TODAY. GREEN, ENERGY, INDUSTRY INSIGHTS. Additionally, Grainger performance, customer satisfaction, and customer initiatives will be discussed. Items such as performance by site, product line distribution, description of transaction types, and business trend analyses. The review will allow the State, K12, and local entities' to track and interpret process improvements and cost reduction possibilities.

2.4.4.2 Please confirm your understanding of retrospective discounts for non-MB items, as detailed in the RFP? Please describe any conditions or details associated with the retrospective discount. Retrospective discount percentage offers should be included in the Attachment D – Cost Proposal.

Respondent will offer a Retrospective discount to the State listed in Attachment D – Cost Proposal. Respondent will pay the State the difference between the next price paid and the NET price the State would have paid had the retrospective discount been applied at the time of purchase. In instances where the NET price paid at time of purchase for any of the **thirty eight (38) highest spend** Non-Market Basket items identified in respective categories is less than the retrospective discount price, the NET price paid for that item will be considered the retrospective discount price for the Non-Market Basket item identified.

2.4.3.3 Does your online system have the ability for users to selectively view only MB items? If not, how will MB items be identified from non-MB items?

Yes. Grainger’s on-line system does have the ability for users to selectively view only Market Basket items. The State of Indiana can have an on-line “Custom Catalog” that will only show Market Basket items. Grainger can also denote market basket items online with an icon of the State’s choosing to allow customers to easily identify Market Basket items when viewing the full catalog.

2.4.4.4 What is your company's process for satisfying orders for Market Basket out-of-stock items if your company is not able to fill an order within forty-eight (48) hours?

If outside the 48 hours delivery lead time commitment, Grainger will work directly with both the manufacturer to determine if the manufacturer can expedite the shipment to meet the required lead time. Grainger will also contact the customer directly to determine if an alternate solution will suffice such as selecting a functional equivalent.

2.4.4.5 How will the punch out differentiate between in-stock/out-of-stock status for Market Basket items?

The punch-out catalog displays real-time product availability of all products including Market Basket items. This real time availability includes an expected delivery date if items are being shipped. Customers will also be able to check if an item is available today or a future date at a nearby branch if Will-Call is enabled in the customer’s Grainger punch-out. Users can also search availability at other surrounding branches.

Natural Rubber Latex Cut Resistant Gloves, ANSI/ISEA Cut Level 2, Polyester Lining, Gray, M, PR 1

Item # 29JV92 Mfr. Model # 29JV92 Catalog Page # 1680 Catalog Group # H6346 UNSPSC # 46181504



Your Price **\$2.10** / pair

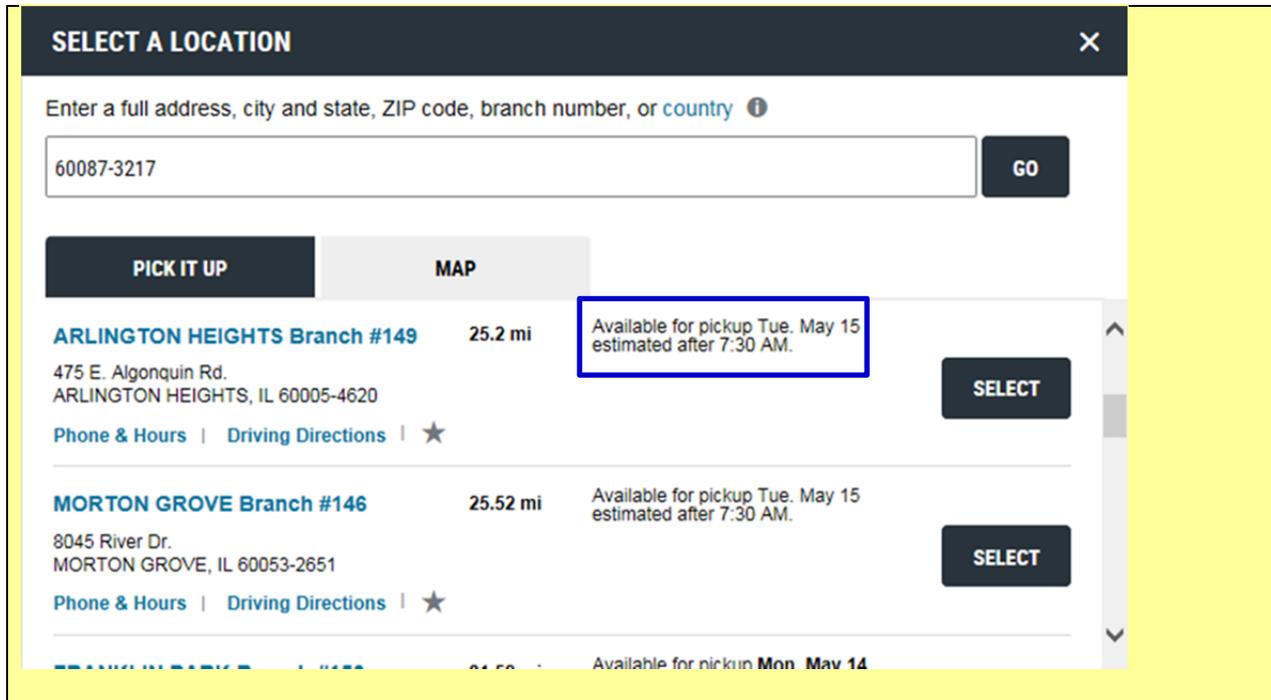
One Time Delivery
 Auto Reorder

Shipping Pickup
 Expected to arrive Tue. May 15.
 Ship To 60045 (Change)

1 **ADD TO CART**
 + Add to List

☆☆☆☆ Be the first to write a review

Shipping Weight 0.2 lbs.



2.4.4.6 Currently the market baskets are combined for State Agencies and K12/Local entities. If during the life of the contract, the current market baskets are not representative of K12/Local needs, please describe your company’s willingness and your plan to create the most representative and best priced market basket for those entities. Please provide any qualifiers, restrictions, or suggestions that will distinguish your response.

To make the State of Indiana maintenance, repair and operations (MRO) contract most relevant not only to State Agencies, but also to participating K12 and local entities, Grainger will customize contract market baskets, subject to contract terms and conditions, of frequently purchased items that directly support the needs of these unique segments.

2.4.5 Implementation and Transition

2.4.5.1 Please identify how many “punch-out” implementations with PeopleSoft your company has performed and indicate any previous issues your company has had and how they were corrected. If the Respondent has not implemented with People Soft please provide other relevant implementation experience.

To date, Grainger has performed **several hundred** punch-out implementations with **PeopleSoft**.

Previous Issues: Each of the previous PeopleSoft punch-out implementations were customized based on specific customer requirements and how their PeopleSoft eProcurement system was configured. Each system has its own challenges or configuration requirements. The Grainger eProcurement team, with implementation experience to over 180 different systems, is familiar with those requirements and works through the implementation process to ensure stable connections for the customer.

Issues related to “language” can occur. Some PeopleSoft clients use other transaction languages. However, using cXML as the transaction protocol eliminates any issues. Grainger has worked with our PeopleSoft customers to ensure that cXML is standardized as the transaction protocol.

Issues related to the loading security certificates for both punch-out and order may also occur. Once the Grainger team reviews the levels of security certificates, we are able to ensure that the Grainger punch-out “round trip” flows through all security levels to ensure a smooth order process and cycle time.

PeopleSoft allows clients to get very granular with UNSPSC mapping and sometimes this will cause issues with the multiple versions that suppliers use. Grainger has the ability to support multiple versions of the UNSPSC codes from version 8.0401 to version 19.0501.

2.4.5.2 What is your company's proposed implementation plan, citing specific tasks, dates and milestones from contract award to availability to place orders?

Implementation plans are developed by carefully assessing customer needs. Grainger’s goal is to create the best possible customer experience, drive adoption at all targeted locations, and meet or exceed cost savings objectives. Grainger’s experienced implementation and eProcurement teams will work hand in hand with the State’s aligned team to ensure an efficient and timely transition for the State’s agencies.

Grainger maintains a team of Contract Enablement Managers (CEMs) who partner with Contracted Customers to enable the changes needed, in both organizations, to meet the goals and objectives of Contracts and Agreements with complex customers that have multiple facilities. Given the scope of the potential contract between the State and Grainger, a CEM would be aligned to build and lead the execution of a Project Plan to insure that our two companies quickly begin to realize its intrinsic value.

During the pre-planning phase, our CEM will work directly with the State’s primary Project Manager to build out the Project Plan to include the activities, resources and timing to operationalize all aspects in the scope of the agreement for both organizations. The Project Plan will include a communication plan and Stakeholder Updates to measure our joint progress in achieving a successful, on time completion of the implementation.

Implementation (Day 1 – Day 90)



- Contract Award** - Announcement
- Final Negotiations with the State

Phase 1: Discovery (Days 1 – 10)

- Conference call announcing award to Grainger’s Indiana Government Sales Team and Customer Service/Branch organization outlining final details of the contract
 - Communicate new contract terms
 - Review pricing and programs available under the new contract
- Discovery Conversation with IDOA, key State agencies, K12 and local agency representatives
- Confirm the State’s Objectives
- Communicate Grainger’s Affiliation process for the State’s contract
- Develop Scope of Work to meet Objectives
- Define / Set Mutual Expectations
- Key Success Factors
- Key implementation contacts identified
- Identify the State’s information required for analysis and current incumbent inventory management sites
- Assemble Grainger resource teams

Phase 2: Pre-Plan (Days 1 – 30)

- Finalize Major Milestones
- Grainger eProcurement Solutions Manager discusses key integration requirements with the eCommerce State contact
 - Determine the State’s eProcurement Home Page functionality
- Identify key agency stakeholders and communicate with each to understand unique requirements and how Grainger can best support them throughout the life of the contract
- Draft Communication Plan
- Identify Potential Training Requirements
- Confirm key Stakeholders to communicate progress
- Biweekly Stakeholder communications
- Draft Training Plan

Phase 3: Joint Planning (Days 30 – 60)

- Joint Planning Session with Grainger and the State
- Validate Scope of Work
- Confirm Executive sponsorship
- Update timeline
- Confirm success metrics
- Confirm co-branded marketing material
- Finalize State agency specific communication requirements and Site Execution Plans (Grainger Field & Site Champions)
- Assess the State, K12 and local agencies inventory management requirements
- Finalize Communication Plan
- Finalize Training Plan
- Identify potential risks or barriers
- Deliver co-branded marketing material to the State, K12, and local agencies



Phase 4: Deploy (Days 60 – 90)

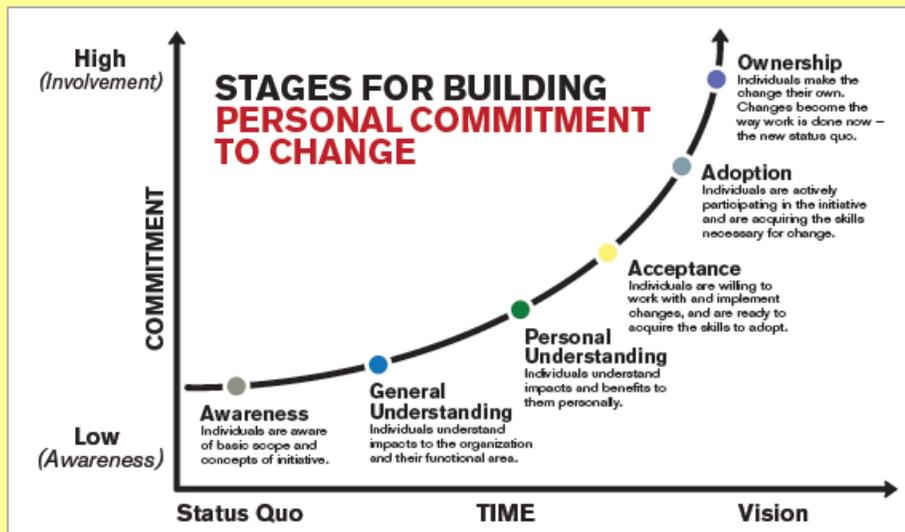
- Communicate detail plan to Grainger Field Teams & State agency locations
- eProcurement Solutions Manager works with Grainger eCommerce Team and State of Indiana to complete production and rollout
- Execute site level plans at K12 and local agency locations
- Tracking of site level progress
- Provide Stakeholder communication continues
- Training for end users
- Order processing
- Site level progress reporting

Phase 5: Transition

- Provide final transition summary
- Develop Customer Business Review Meeting Schedule with primary Account Team
- Discuss future refresher training

To make changes effectively, organizations must have the right level of commitment, ownership and alignment across multiple functions from sponsors all the way to the front line. Every organization has initiatives that compete for attention. The right sponsorship and ownership of a project will not only help ensure the initiative is supported and started, but also sustained through implementation for ongoing success.

The CEM, collaborating with the State’s primary Project Manager, will provide Change Leadership to decisively move our teams through the change curve. By facilitating strategy development between the Grainger Sales Manager and Customer Leaders a consistent message is built and communication plan established to ensure that both teams, Grainger and the State, are in alignment with our mutual objectives and action plans.



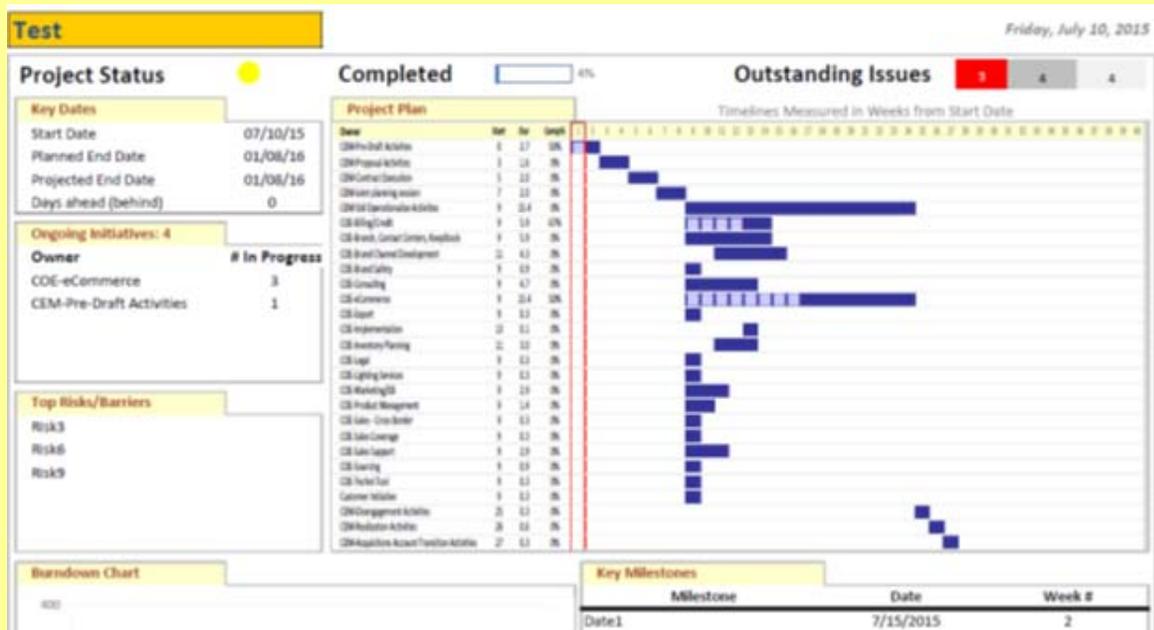
Grainger and the State will work together to move our teams systematically through the various stages of the change curve to ensure the State will achieve identified results.

Communication Plan: The communication plan along with appropriate sponsorship from the business leaders of both companies is critical. The CEM and the State’s Project Manager are accountable for maintaining sponsor inclusion.

A communication plan will be developed to notify your facilities and personnel of implementation and the partnership with Grainger. The communication plan will establish the process to communicate and key team members to receive project status or critical information. Communicate can include:

- A one-pager with your specific key contract points that can be sent as an email or hardcopy
- A letter from the State that introduces Grainger and presents the high level benefits of using the Grainger contract.
- Emails to send throughout the organization to inform and remind purchasers of the contract benefits and the opportunities of compliance
- Implementation Status Updates to team members including training plans

Customer Scorecard: The CEM also develops and finalizes a customer scorecard to measure success and report out on the progress to the objectives defined in the agreement between Grainger and the State.



To ensure a timely and efficient transition, Grainger’s implementation manager will track all milestones and implementation activities. Project status will be reviewed during Implementation Status Meetings with the State and provide visibility to overall completion.

Grainger will provide contract and ordering training at no additional cost to ensure the State’s personnel are familiar with the benefits of your new contract and how to order

products and materials. Below are proven training programs available to all of your employees: Final training plans will be developed during the Joint Planning process

No Cost Instructional Training	In Person	Virtual	Literature
Contract			
• Details of the award			
• Price and discounts specific to Market Basket items			
• Customer service and wide-variety of order processing support channels	✓	✓	✓
• Introduction of the local Sales and Customer Service support staff			
Ordering			
• Online Ordering - Grainger.com			
• Phone			
• Email	✓	✓	✓
• Fax			
• KeepStock			
Customer Service Processes			
• How to Engage			
• Hours of Operation	✓	✓	✓
• Problem Resolution			
• Technical Support			
Product			
• Delivery			
• Return Policy	✓	✓	✓
• Training			
• Warranty			

2.4.5.3 Please identify specific tasks and milestones which require State involvement and collaboration during contract implementation.

Grainger requests that one business, one technical champion, and key State agency representatives participate and communicate during the implementation phase. These representatives and champion’s support of our implementation will include, but not be limited to assisting Grainger with the scope of the contractual agreement; the State’s ordering requirements and unique, specific customer requirements. They will also facilitate information as it pertains to the operational requirements and testing of the PeopleSoft eProcurement software platform.

Other key tasks for the Business and Technical Champions:

- Communication of the State’s sponsorship of the new Grainger contract
- Collaboration with Grainger and PeopleSoft as needed
- Participation in implementation status meetings
- Gathering required data or information for implementation requirements
- Participation in training provided by Grainger

2.4.5.4 Please identify any innovative solutions your company would offer in order to drive contract compliance and savings.

Grainger will support the State, K12 and local agencies in achieving additional cost savings and efficiencies over the duration of the Contract by leveraging our years of experience in saving customers time and money. Grainger’s core value proposition is centered on helping customers identify ways to “take costs out of their business,” specifically in the areas of time, space and dollar savings by:

- Increasing Contract Compliance
- Increasing Employee Productivity
- 24/7 Customer Support offered by live Grainger Customer Service Associates (CSA) to assist with any issues

The following innovative features and capabilities will allow Grainger to help the State, K12, and local agencies realize optimum savings:

- Broadest Product Offering in the MRO Industry (1.7million SKUs)
- ePro Mobil App
- Custom Catalog in online solution Grainger.com
- Dedicated, Knowledgeable, Experienced Customer Support (**24/7 availability**)
- Consulting Services
- KeepStock Inventory Management
- Sustainable Solutions

Solution	Compliance	\$\$ Savings	Productivity Savings	Dedicated Resource
Broadest Product Offering	◆	◆	◆	NA
ePro Mobil App	◆	◆	◆	NA
Custom Catalog	◆	◆	◆	NA
Knowledgeable Customer Support	◆	◆	◆	◆
Consulting Services	◆	◆	◆	◆
KeepStock Inventory Management	◆	◆	◆	◆
Energy Sustainable Solutions	◆	◆	◆	NA

Broadest Product Offer: Grainger’s online catalog offers the State, K12 and local agencies over **1.7 million SKUs** in over **30 broad MRO categories** which is supplied by over **5,200 key suppliers**. Our broad product offering will provide the following benefits, compliance to the contract and cost savings to the State, K12 and local agencies:

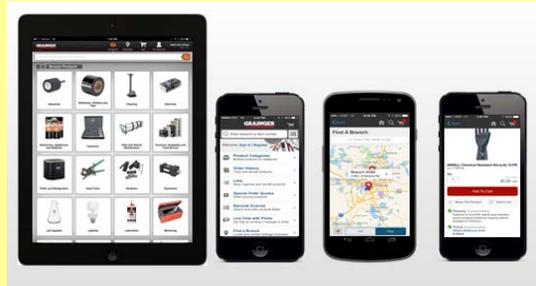
- Grainger’s inventory portfolio is most relevant to a State, KI2 and local agencies’ needs offering more variety, categories and options than our competitors
- Additional product cost savings by having the ability to purchase all needed products in the contract’s broad product offering
- Time savings since required item will be found in Grainger’s broad product offer and product search outside the contract will be mitigated
- Efficiency savings since a significant of the inventory portfolio can be provided next day service to ALL Indiana locations
- Operational savings by reducing the number of different supplier invoices

Grainger’s Inventory Portfolio

Category	Approx. SKU Count*	Category	Approx. SKU Count*
HVAC and Refrigeration	40,000	Hydraulics	8,000
Paint, Equipment and Supplies	55,000	Office Supplies	13,000
Fasteners	87,000	Adhesives, Sealants and Tape	8,000
Raw Materials	20,000	Material Handling	93,000
Safety	167,000	Furniture, Hospitality and Food Service	23,000
Outdoor Equipment	9,000	Power Transmission	35,000
Power Tools	30,000	Hardware	41,000
Lighting	12,000	UNCATEGORIZED	1,000
Electronics, Appliances, and Batteries	7,000	Machining	251,000
Hand Tools	38,000	Lab Supplies	72,000
Security	55,000	Motors	12,000
Lubrication	5,000	Test Instruments	13,000
Fleet and Vehicle Maintenance	27,000	Pumps	13,000
Abrasives	12,000	Reference and Learning Supplies	2,000
Welding	13,000	Electrical	62,000
Pneumatics	30,000	Cleaning	14,000
Plumbing	57,000		

*SKU count as of May 2018

ePro Mobil App: The state of Indiana would be able to take advantage of Grainger’s ePro Mobile offering which allows a technician to generate a requisition on Grainger’s mobile app and push that requisition electronically to the Grainger punch-out where it can be processed by a purchasing agent through the Peoplesoft system. This solution has driven higher adoption for those state agencies with mobile technicians looking to drive purchasing through a purchasing system.

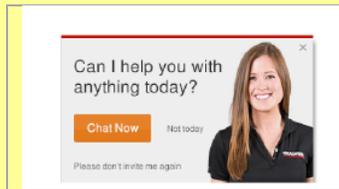


Custom Catalog on Grainger.com: A custom catalog facilitates contract compliance with its functionality which provides an easy way to limit spend to pre-selected products for consistency and maximum savings, which can help take costs out of your business. Customer can choose to show only their specific custom catalog to their end users or they can allow users to click a “radio button” between their custom catalog and the Grainger general catalog.

Grainger’s Dedicated, Knowledgeable Customer Support: Grainger invests heavily in government segmentation training for its Government Sales Teams. This will provide the State,

K12 and local agencies the following benefits, compliance to the contract and cost savings:

- Higher level of support with Grainger’s segmentation strengths. Sellers are educated to understand various department’s specific needs and can recommend the proper product to meet the needs of the various hospital, joint commission, or state police
- **24/7 Customer Support offered by live Grainger Customer Service Associates (CSA) to assist with any issues**
- Decrease time spent returning products that don’t meet the customer’s need
- Reduce the amount of “dead” inventory that is not needed
- “Click-to-Chat” support provides a live Customer Support Associate to assist the State’s customers when shopping online



Customers can chat live with a Customer Service Associate (CSA) on Grainger.com. Once “Chat Now” is clicked, a message box opens up allowing members to communicate with the CSA.

Consulting Services: A unique service that Grainger brings to its solution is its Consulting Services team of experts. This team brings their skills to review ways that Grainger can start saving the State of Indiana State Agencies time and money. This team will review past purchases, assess current inventory positions and then perform a baseline analysis designed to identify opportunities for the best customer service experience. Similarly, this team will help the state achieve cost reductions through product standardization, burning off existing inventory, reorganization, product usage and inventory management. Each of these efforts will be performed in collaboration with the customer and are designed to reduce costs, exceed customer expectations and drive contract compliance.

KeepStock Inventory Management Solutions: Grainger KeepStock solutions minimize costs in the State, K12 and local agencies’ operations by making it easier to organize, track and order any size inventory, and to manage the State, K12 and local agencies’ critical inventory. The KeepStock portfolio provides Customer-Managed Inventory (CMI), Vendor-Managed Inventory (VMI) and Grainger Vending (GV) options to help you achieve the right level of management based on your unique business needs.

Our KeepStock solutions provide valuable inventory management services inside your facility, and help the State’s agencies spend less time finding and ordering products, control product consumption, and balance the right amount of inventory to devote more time on business-critical tasks.



Customized For Your Business

- Turn-key replenishment on your schedule
- Adjustable minimum/maximum reorder points

The Benefits

- Order control points to align with your operational needs
- Reduce your procurement costs for indirect supply purchases
- Keep your team focused on the work to be done rather than looking for supplies
- Optimize inventory levels—no overstocking or stock outs

Machines bring visibility to usage by department, employee, or job—helping the State’s agencies take costs out of their business.

Grainger KeepStock Secure Vending Machines



Benefits:

- Control access without having to provide additional personnel in a supply area
- Provide items at the ‘Point-of-Use’ to reduce time to walk to a supply room
- Decrease consumption with accountability of product transactions
- Improve cost accuracy by job, department, employee, or other defined parameters
- Reliable data intelligence with accurate reporting and tracking for better forecasting and planning
- Automate ordering to help reduce stock outs and obsolete inventory

Sustainability Solutions: Grainger aims to help the State, K12 and local agencies increase savings through sustainability and more specifically:

- Energy cost reduction
- Waste and water reduction
- Air quality improvement
- Protect the environment

Grainger carries a full line of **over 72,000 certified sustainable products** such as Energy Star and green cleaning products to help the State, K12 and local agencies maintain sustainable initiatives through efficient energy management, water

Energy Conservation
 Energy Audits & Test Equipment
 Relamping - Lamps, Ballasts, Fixtures
 Sensors, Thermostats & Controls
 NEMA Premium Motors

Water Conservation
 Low-Flow Plumbing Fixtures
 Waterless Urinals
 Drip Irrigation Products

Indoor Air Quality & Green Cleaning
 Certified Green Cleaning Chemicals
 Microfiber Cloths, Mop & Sponges
 Low/No VOC Paints, Caulks & Sealants
 High-Efficiency Air Filters

Waste Reduction
 Waste Management Products
 Recycled Content Products
 Rechargeable Batteries

conservation, waste reduction and air-quality improvement. These products are classified by maintaining one or more environmentally preferable certifications or attributes. To provide an additional measure of confidence to customers, Grainger works with outside experts to help verify the accuracy of suppliers' sustainability product data. These environmentally preferable products are clearly designated on Grainger.com® by a green leaf. Grainger will provide the State's customers Environmentally Preferable Product (EPP) Reporting to assist in setting and measuring progress towards EPP goals.

The Grainger Energy Services team serves as your resource to help identify and implement a wide range of efficient solutions for your business through its network of qualified, insured and licensed service providers. Working closely with customers, our service providers help identify and facilitate the installation of energy-saving and water conservation measures that benefit customer's bottom line with minimal disruption to your business. Our team can also help customers secure applicable incentives and rebates for energy and water-saving projects.



Lighting Projects – Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit lighting projects. **Typical Products** – Lighting fixtures, lamps, ballasts, controls and other lighting-related supplies.



HVAC Projects – Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit HVAC projects. **Typical Products** – Motors, controls, pumps, fans, sensors, variable frequency drives, packaged terminal AC and heat pump units (PTAC/PTHP), filters and other HVAC-related supplies.



Motor and Pump Projects – Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit motor and pump projects. **Typical Products** – Motors, controls, pumps, fans, sensors, variable frequency drives and other motor-and-pump-related supplies.



Compressed Air System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient compressed air retrofit projects. **Typical Products** – Air compressors, vacuum pumps, controls, sensors, variable frequency drives, valves and other related supplies.



Dust Collection System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient dust collection system projects. **Typical Products** – Variable frequency drives, pneumatics, pumps, controls, sensors, duct and fitting pumps, and other related supplies.



Electric Vehicle Charging Station Projects – Specifying, supplying, installing and commissioning electric vehicle charging stations and accessories. **Typical Products** – Electric vehicle chargers and other related supplies.



Steam Trap System Studies and Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient steam trap retrofit projects. **Typical Products** – Steam traps and other related supplies.



Water Conservation Upgrade Projects – Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient plumbing solutions. **Typical Products** – Toilets, faucets, shower heads, aerators and other related supplies.

2.4.6 Customer Service and Account Management

2.4.6.1 Please describe in detail your company’s proposed account management team structure including names, contact information, and resumes where possible, and services each individual or group will perform.

Grainger has experience managing complex state contracts and supporting maintenance, repair and operations (MRO) procurement needs for large numbers of customers throughout the US. We have established a framework to address the State of Indiana’s contract management with aligned Grainger government sellers and support teams who are currently residing in Indiana and providing support and services to Indiana customers. The experienced team will ensure a high level of customer service and support to all Indiana customers.

The following chart identifies the primary team members who have the responsibility to ensure a high level of customer satisfaction and exceptional contract management is provided for the State of Indiana.

Primary Point of Contact: The primary Point of Contact (POC) for the State is Mr. Brent Zinn, Sr. Government Sales Manager. With over 14 years of experience in the MRO industry, Brent has the expertise and the background necessary to ensure his customers receive the most value from their contractual agreement. During his 11 year tenure with Grainger, Mr. Zinn has supported state agencies, libraries, primary and higher education, federal and local Government Customers and negotiated and implemented state contracts in Michigan, Minnesota, Ohio and Wisconsin. Post award, Mr. Zinn will continue to market contracts to political subdivisions, educate internal business partners and customers on the contract’s features and benefits, identify cost savings opportunities and provide unparalleled dedication to ensuring contract compliance. **Please see Grainger’s Primary Contract Management Responsibility chart in the Confidential Information.**

Customer Briefing Review (CBR): Grainger is dedicated to customer service, including problem resolution. To accomplish this Grainger will conduct business meetings with the State’s customers and members of Grainger’s Sales team led by the primary Account Manager. At these meetings, we will review current customer satisfaction, as well as future goals proactively making any changes and enhancements to ensure satisfaction. Grainger will also look for other opportunities for cost savings solutions including reviews of customers’ purchases. By focusing on those items most frequently purchased, we can help reduce cost. Additionally, we will review new initiatives to determine solutions that Grainger could proactively bring to ensure customer satisfaction and to drive additional cost savings.

Grainger has established a framework to address the State’s contract management. Inquiries will be addressed initially by the customer-aligned Grainger seller who engages necessary resources to address customer inquiries. If any matter cannot be resolved by Grainger’s aligned seller, the seller will engage their immediate supervisor and escalate the matter to Grainger leadership until the issue is resolved.

Please see other experienced Support Team Members chart in the Confidential Information including Key Personnel Resumes.

Technical Support: Grainger provides direct technical support from knowledgeable field personnel and manufacturers' field representatives. In our key supplier programs, manufacturers dedicate field resources to work solely with Grainger's field representatives. Grainger also has an in-house Technical Product Support Department that is the source for answers to product related questions. Customers have easy access to this service during standard business hours.

In-field Specialists: To support customers and help them achieve additional cost savings and efficiencies, Grainger leverages our years of experience in safety and metalworking. In-field specialists provide expertise solving business issue challenges, on-site assessments, cost-savings proposals, and program standardization strategies. Your assigned Safety or Metalworking Specialist will also align the right supplier representatives and additional technical resources to meet your facilities selection of appropriate product use and subsequent training.

2.4.6.2 What is your company's plan to provide the State of Indiana and all the participating agencies, schools, and governmental bodies with a coordinated and consistent customer service program?

Grainger holds its customer service functions to the highest quality standards with established quality assurance goals. These goals are established to exceed customer expectations and achieve the highest standards. Teams use a continuous improvement process and Grainger leaders review weekly, monthly, and quarterly goals to ensure customer satisfaction. For over 91 years Grainger has been providing service and support to our customers and has developed multiple ways to ensure consistent, quality customer service is provided to all customers.



Employee Training: To ensure all employees understand Grainger's expectations for consistent customer support, all employees participate in rigorous on-boarding training specific to their job function. Classes are taken in Grainger's Guided Learning Center with instructors, online and through training manuals. During training, employees shadow experienced employees to learn more about their role and working with customers. At the appropriate time in their training, trainees lead their activity with management oversight. When the employee has succeeded to the desired 'ready' level, managers approve new employees to direct their own work. One-on-one bi-weekly or monthly meetings are held with the new employee's direct manager to ensure continuing progress.

Dedicated Toll Free Support: All State of Indiana customers will have access to Grainger's trained and knowledgeable dedicated - State of Indiana Customer Service Representatives (CSRs) to address questions and resolve issues that arise. Grainger's Customer Service Representatives (CSRs) within the branch network will be available via a toll free number 800-472-4643, 8:00 am to 5:00 pm each day. Additionally, CSRs are available 24/7 via a toll free number, fax, and email.



Each CSR has use of state-of-the-art technology tools needed to address inquiries and ensure customer's expectations are met. Grainger's online system and network provides government

sellers and customer service representatives' immediate online access to real time customer account information. All customer discussions and action items are documented and captured in each customer's account file to ensure tracking and resolution of any issues. Information visibility allows for fast resolution and the ability for Grainger's CSRs to provide a high level of customer support.

Face-to-Face Support: Grainger's government Sales Managers and Account Managers will participate in **Customer Business Review (CBR)** meetings where Grainger performance, customer satisfaction, and customer initiatives will be discussed, including items such as performance by site, product line distribution, description of transaction types, and business trend analyses. The review will allow the State of Indiana DOA and the State's agencies they support, along with K12 and local agencies to track and interpret process improvements and cost reduction possibilities.

Onsite Inventory Support: Grainger's Onsite Service Representatives (OSRs) are available during normal business hours at customer specific locations to help customers manage their inventory, place orders and provide other assistance as needed. OSRs can participate in Business Review Meetings with the Account Manager to provide additional inventory insight to the customer.

In-field Specialists: To support customers and help them achieve additional cost savings and efficiencies, Grainger leverages our years of experience in safety and metalworking. In-field specialists provide expertise solving business issue challenges, on-site assessments, cost-savings proposals, and program standardization strategies. Your assigned Safety or Metalworking Specialist will also align the right supplier representatives and additional technical resources to meet your facilities selection of appropriate product use and subsequent training.

After Hour 24/7 Emergency Service: Grainger's after hours emergency service provides product fulfillment after standard Grainger branch business hours through a toll-free number (1-800-CALL-WWG). Service is available in most branches throughout the US, but varies by market. Calls are routed to one of our US based Grainger Call Centers. A Call Center employee then contacts a local Grainger branch employee, via phone, and relays the customer information. Grainger's branch employees are committed to contacting the customer within 60 minutes of the initial customer call to arrange to meet the customer at the local Grainger branch to fulfill the emergency order.

2.4.6.3 What type of contract specific information is retrievable by a member of customer service? Order status, delivery information, backorder information, contracted pricing, Market Basket item availability, product information, etc.?

Each Customer Service Representative (CSR) has use of state-of-the-art technology tools needed to address inquiries and ensure customer's expectations are met. Grainger's online system and network gives its government sellers and customer service representatives immediate online access to real time customer account information to help the State of Indiana customers and provide information including, but not limited to:

- Information on order status and expected arrival date
- Backorder information
- Contract pricing
- Invoice status and information
- Market basket item availability
- Detailed product information



Additionally, Grainger's Customer Service team will assist in:

- Selecting products based on the desired application and technical requirements
- Providing dedicated manufacturer and technical support resources
- Selecting alternate products to complete customer purchases
- Placing and managing emergency orders
- Generating sourcing product quotations and assisting with order placement

Grainger's Customer Service team is highly trained through Grainger's programs and shadows experienced CSRs prior to working directly with Grainger customers. CSRs are encouraged and empowered to go above and beyond to serve the State of Indiana and end users. Through Grainger's recognition program, those employees who show best value to our customers are recognized and rewarded for their actions.

2.4.6.4 What is your company's standard process for problem resolution and escalation, including standard response times?

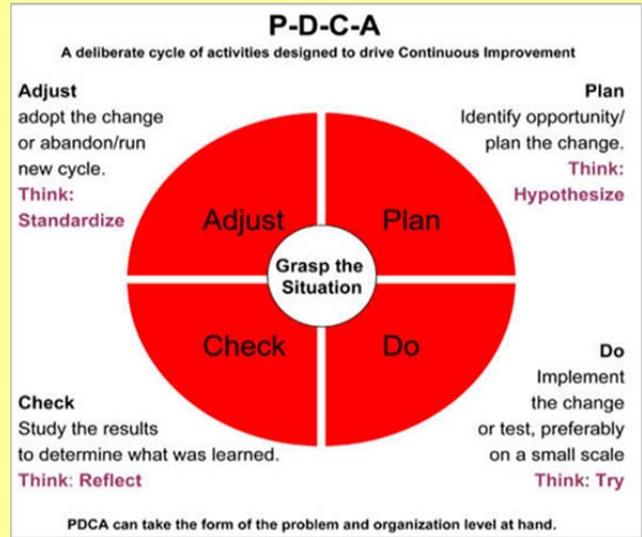
When problems arise, our Indiana Grainger Account Managers will be the first point of contact and collaborate with our Indiana State Agency customers to gain a full understanding of the issue. The Account Managers will use all available resources to resolve any questions immediately to the customer's satisfaction. If the problem cannot be resolved right away, the Grainger Account Manager will elevate the issue to his/her District Sales Manager and the Government Sales Manager (Brent Zinn). All conversations and actions are documented in the customer's file in our SAP system to ensure resolution.

At Grainger, it is our goal to minimize problems or issues from occurring. That is why we have built a culture of Continuous Improvement (CI) as the foundation of our Quality Assurance Plan. This set of concepts, principles and tools is used to create and deliver the most value, from the customer's perspective while consuming the fewest resources. A critical part of CI at Grainger is the use of a deliberate and iterative cycle of Plan, Do, Check and Adjust (PDCA) activities to drive quality.

- **Plan:** In the planning phase we will establish processes that meet the objectives/goals the State of Indiana has established in the RFP
- **Do (Execute):** during this phase we will implement the plan and execute the processes
- **Check:** we will study the actual results and measure those against the expected results the State of Indian has outlined to identify any variation. Grainger will identify deviations from the implementation plan through the use of data to ensure we have the proper information for the next phase in the cycle. We will use specific reporting to check our performance against the State's goals

- **Adjust:** Grainger will take corrective actions on differences between our actual and planned results. We will analyze the differences to determine their root causes using Continuous Improvement methods and identify where we need to apply changes that will improve the process to drive the desired outcomes.

Once the adjustments are acted upon, the PDCA cycle will begin again. This comprehensive program of PDCA allows us to constantly measure our performance against the standards Indiana has set. This process also allows Grainger the flexibility to quickly implement process improvements to eliminate issues that may arise.



2.4.6.5 How soon will a member of the proposed Account Management Team be able to be on site at Indiana Government Center in Indianapolis, if necessary?

A member of Grainger’s Account Management team will be onsite at Indiana Government Center in Indianapolis within 24 hours of request. In the event of an urgent onsite request, one of Grainger’s Government Account Managers will be onsite that same day. We will make our support teams available to meet the State’s needs. Additionally, team members will be available for Quarterly Business Reviews and additional meeting requests.

2.4.6.6 What is your plan to ensure the continuity of the Account Management team if a member should depart?

Should we lose an Indiana Public Sector Account Management team member for any particular reason, Grainger will follow our standard hiring process in order to backfill any staffing gaps as quickly as possible. We spend time in providing our team members with the tools to succeed to ensure we have qualified candidates to replace employees who have moved on or into other positions within the company. The intent is to always have experienced staff available and then backfill into a position and begin the process of developing new talent.

To ensure the continuity of the Indiana Public Sector Account Management team, all team members are cross trained and share key State of Indiana requirements to fulfill contract compliance. If a team member departs, existing team members will fulfill all requirements until a new team member is brought on board. In addition to the Indiana Government Account Management team, Grainger’s nine Indiana branches and their 138 Customer Service team members will have training, information and knowledge to effectively service all Indiana State Agency and poly-sub requirements.

Should the need arise to replace a member of the Indiana Public Sector Leadership; the

appropriate steps are followed to insure we hire the best candidate to fill the position either internally or externally. The leader will be fully trained and will complete a rigorous on-boarding program.

2.4.6.7 Please define your customer service quality program? Include details on internal metrics.

The following are key quality areas that Grainger measures:

Customer Service Personnel are regularly evaluated for quality assurance on a number of key performance indicators including order accuracy and adherence to service policies and procedures. These evaluations are further reviewed for performance and service trends.

Grainger's Customer Service Program is centered on delivering the best customer experience. Grainger's Customer Service Associates (CSA) work to respond to each and every inquiry in a timely manner, and maintains the following average of speed answer to **calls < 9 seconds**

Grainger also provides Customers an opportunity on **each interaction** to provide feedback on their satisfaction and issue resolution. Each data point provides coaching and process feedback to further improve the Customer experience.

Evaluation and Survey Feedback is shared with team members in weekly coaching sessions and group meetings to ensure prompt response to identified issues and continuously improve the Customer experience.

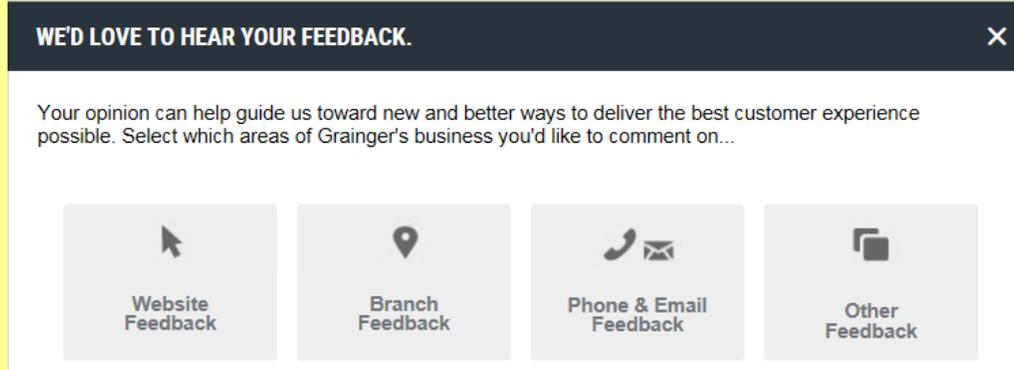
Post Order Customer Satisfaction Surveys are conducted nearly every business day. These surveys are designed to measure Customer satisfaction based on most recent transaction (past 3-4 days). Approximately 500 surveys are conducted per branch district per quarter. Scores are reported as the % of customers who rated a 10 on a 10-pt satisfaction scale (unless noted otherwise).

Metrics collected and monitored include:

- Overall satisfaction with recent purchase
- Overall expectations of Customer effort
- Overall order origination channel satisfaction
- Detailed order origination channel diagnostics
- Overall order fulfillment channel satisfaction
- Detailed order fulfillment channel satisfaction
- Multi-channel impact on satisfaction (how satisfaction differs by what resource they used to research order prior to placing the order)
- Challenges encountered by the customer due to lack of product assortment, availability or price

Customers also have an opportunity to share feedback when shopping online. The online feedback is directed to the proper management team depending if the feedback is regarding the website, branch, phone and email or other to evaluate any comments and provide follow up if

requested.



Survey results are reported quarterly to senior management including the Chief Executive Officer, President of Grainger U.S. Business, Regional Branch District Managers, Regional Branch Vice Presidents, District Sales Managers and Regional Sales Vice Presidents. The results of this survey are used to create annual performance goals.

2.4.6.8 Please describe any additional services, trainings, solutions, etc. which you are prepared to offer at no cost to the State.

Grainger will support the State of Indiana agencies in achieving additional cost savings and efficiencies over the duration of the Contract by leveraging our years of experience in saving customers time and money. Grainger's core value proposition is centered on helping customers identify ways to "take costs out of their business," specifically in the areas of time, space and dollar savings. Provided below is a comprehensive offering the following value-add no charge Grainger solutions:

1. Safety Solutions

- Training and Assessments
- Field Safety Specialists
- Online Solution Center
- Shoemobile Solution
- Eyewear Solution

2. Consulting Services

3. Sustainable Services

- EPP Product Training

4. KeepStock Inventory Management Services

1. Safety Solutions

For years Grainger has been helping customers in all industries with their safety and health programs. Our leadership within the safety industry goes beyond the \$1.5B in annual product sales and partnerships with over 600 key safety product manufacturers. It extends deep within the industries we support.

First and foremost, we maintain collaborative relationships with such key organizations as the

American Society of Safety Engineers (ASSE), the Board of Certified Safety Professionals (BCSP), and the National Safety Council (NSC). We also are key members of the Semiconductor Environmental Safety & Health Association (SESHA) and Retail Industry Leaders Association (RILA). Grainger’s Innovation Council consists of EHS Leaders across the US from social media giants, nationally recognized contractors, top rated manufacturing organizations, and business consultants allowing Grainger to stay on the forefront of safety and health industry trends.

Our internal and external focus on leading safety and health allows us to continually improve the value we ultimately deliver to our customers. We strive to understand safety business challenges and have built our safety capabilities and solutions specifically for organization’s safety programs. We have structured our customer approach focusing on multiple elements that support our customer’s organizational goals. Through a combination of Products, Services, and Resources, our offers are constructed to maximize our abilities to assist customers with Injury Reduction, Compliance Improvement, Risk Reduction, and ultimately Improving Productivity levels.

a. Training and Assessments

Grainger’s network of health and safety service providers is committed to providing you with quality, cost-effective on-site and online services. Consisting of a highly trained network of Certified Industrial Hygienists (CIH) and Certified Safety Professionals (CSP), as well as other safety and health professionals—Grainger possesses the expertise and resources to provide training, on-site testing and auditing, and web-based tools designed to aid in your occupational safety and health programs on a national scale.

Grainger Safety Services	
FALL PROTECTION — FROM HEIGHTS	Value Add
Fall Protection Assessment* A plant/site survey is conducted to identify potential fall protection hazards as well as suggest products or programs to minimize risk	√
Fall Protection Training (Basic) Specific courses designed to train for safety at heights, equipment inspection, rescue planning and tower climbing. Customized training courses are also available. Training can also be done using a mobile demonstration vehicle which demonstrates arresting forces workers would experience during a fall.	√
SAFETY COMMUNICATION	Value Add
Safety Paint Assessment Conducts an on-site survey to determine the condition and location of safety markings and recommend the proper safety coatings.	√
HAND PROTECTION	Value Add
Hand Protection & Glove Program Assessment Evaluates your glove program to determine proper selection and use, and identify cost savings. Samples are provided, allowing users to ensure proper fit and application.	√
EXTENDED STANDING/SITTING	Value Add
Ergonomic Matting Assessment Evaluates your facility to recommend anti-fatigue matting to help reduce back and lower leg fatigue for employees who stand while working. Identifies the proper mat for use in areas with oils or chemicals and provides 12" samples to stand on or test against chemicals.	√
FALL PREVENTION — FROM SLIPS & TRIPS	Value Add
Slips, Trips & Falls Assessment Provides a pedestrian safety site assessment that takes in customer facility observations and gives back recommended products and solutions to help your facility become safer for employees and guests	√

Floor Coating & Anti-Slip Assessment An evaluation based on application, hazard concerns and safety color-coded paint requirements.	√
LADDERS & SCAFFOLDING SAFETY	Value Add
Climbing Pro Ladder Safety Kit Includes training literature and video to help provide training on safe and proper ladder use, how to select the correct ladders for the job and ladder inspection. Includes a quiz to reinforce learning.	√
FALL PREVENTION — FROM FLOOR AND WALL OPENINGS	Value Add
Flexiguard™ Engineered Service Custom engineered Flexiguard™ systems create unique fall protection and access solutions that meet the requirements of your specific application. Also includes on-site assembly and user training services.	√
HEARING PROTECTION	Value Add
Hearing Protection & Conservation Training Designed to assist your business or institution in becoming compliant with OSHA standard 29 CFR 1910.95. Includes instruction on the importance of proper use of hearing protection devices.	√
ELECTRICAL SAFETY	Value Add
Arc Flash Awareness Seminar Designed to bring awareness to the NFPA 70E standard. Additional topics reviewed are methods of assessment, PPE equipment, proper electrical tools, test instruments and labeling of hazards.	√
Grainger Safety Services	Fee-Based
<ul style="list-style-type: none"> • Grainger Online SafetyManager® System† • Online Safety Training Library with Tracking • Authorized Online OSHA 10- & 30-Hour Outreach Training • Online NFPA 70E Electrical Safety Training • SDS Management • Safety Prescription Eyewear Services • LOTO Procedure Services/ Training 	√
FOOTWEAR OFFERING	Fee-Based
<ul style="list-style-type: none"> • Customized Online Website • Grainger Footwear Center • Grainger Shoemobile (additional details presented in the following section) 	√
FALL PROTECTION — FROM HEIGHTS	Fee-Based
Fall Protection Training (Competent Person) Covers the OSHA Fall Protection standards 29 CFR 1910 Subpart D and 29 CFR 1926 Subpart M for both General Industry and Construction. Special attention will be given to personal fall arrest systems. Participants evaluate hazards and develop practical resolutions within the general industry and construction environments. This training will give participants the skills necessary to fulfill the role of “competent person” as defined by OSHA for their company.	√
Flexi-guard™ Engineered Service Custom engineered Flexi-guard™ systems create unique fall protection and access solutions that meet the requirements of your specific application. Also includes on-site assembly and user training services.	√
HAZARD COMMUNICATION/GHS	Fee-Based
Haz-Comm/GHS Production Workshop This workshop combines regulatory training and Globally Harmonized System (GHS) label creation to help your business or institution meet OSHA GHS implementation requirements and sustain in-house compliance.	√
Hazardous Communication Training Focusing on the specific requirements of OSHA 29 CFR 1910.1200 Subpart Z, this course offers an overview of hazard communication standards, requirements and responsibilities; training requirements; how to make a hazard determination; hazard chemical characteristics; container labeling and other hazard warnings; safety data sheets; employee training requirements; hazard prevention; minimization; preparedness; and exposure monitoring plans.	√

ERGONOMICS	Fee-Based
Ergonomic Assessment* A comprehensive on-site ergonomic job assessment which reviews potential hazardous areas. Assessment includes a review of any job hazard analysis (JHAs) for the jobs, a review of employees performing jobs at workstations, measurements of workstations and tasks, and an outline of all findings and recommendations with an action list for each job reviewed.	✓
FALL PREVENTION — FROM SLIPS & TRIPS	Fee-Based
Floor Coating Installation Service Includes an on-site professional survey, quote and installation of Rust-Oleum® floor coatings.	✓
HEARING PROTECTION	Fee-Based
Audiometric Testing On-site audiometric testing employs state-of-the-art technology in a clean, comfortable setting. Designed to help you comply with OSHA’s Hearing Conservation standard 29 CFR 1910.95.	✓
ELECTRICAL SAFETY	Fee-Based
Arc Flash Hazard Assessment Designed to assist your facility in complying with the NFPA 70E standard. Includes identification, data collection, analysis and labeling of all electrical arc flash hazards in your facilities. Includes regulatory compliance training of qualified persons in safe workplace practices.	✓
Arc Flash Training Safety seminar for anyone working on or near electricity. Topics include flash protection boundaries, PPE, hazard/risk category classifications, shock/electrocution, arc flash calculations, related regulations, and safe work practices and procedures. This training is required for electrical maintenance personnel, operators, troubleshooters, electricians, linemen, engineers, supervisors, site safety personnel or anyone exposed to energized equipment of 50 volts or more.	✓

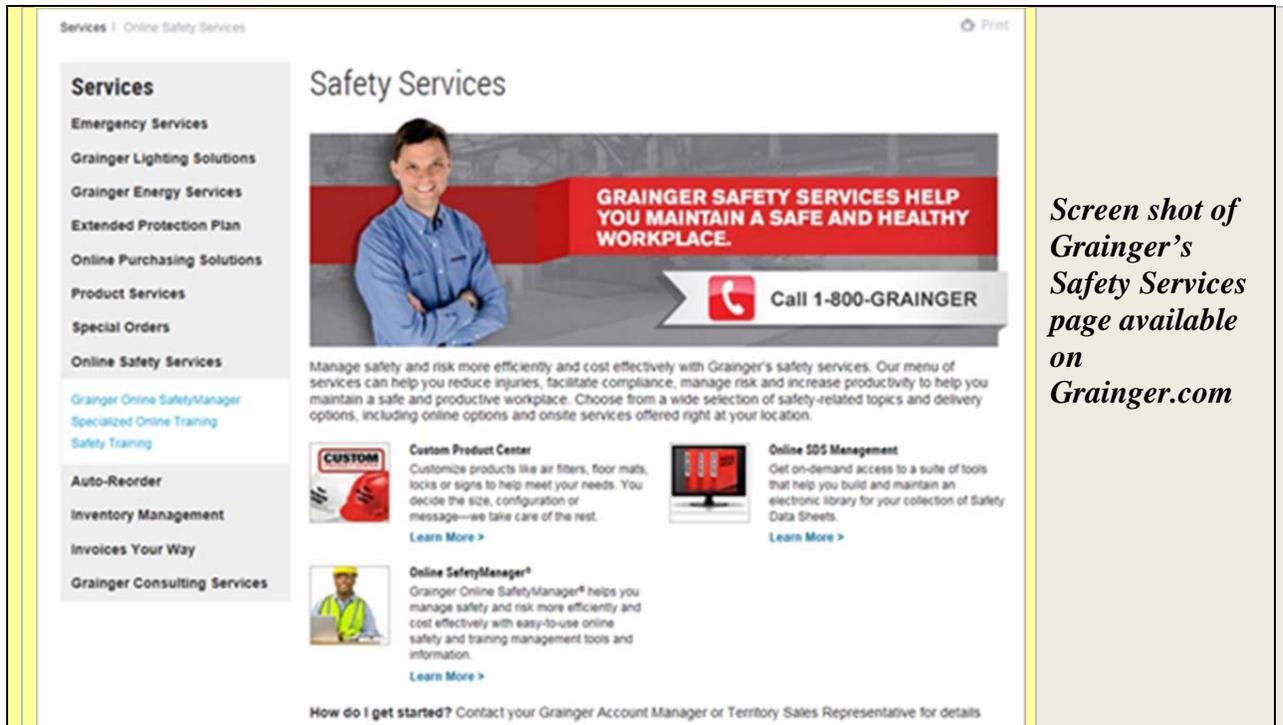


Grainger’s safety assessment process utilizes specialists with specific qualifications to work with you to determine your safety needs. Our Safety Specialists use the Grainger Site Assessment Tool and additional tools to conduct detailed and personalized safety assessments to help improve your safety program

ASSESSMENTS

Specific areas are assessed across the worksite in order to identify potential hazards or high-risk areas that may require further actions be taken to remedy.

- AED Inspection
- Arc Flash/Electrical Safety
- Confined Space
- Emergency Eye Wash
- Fire Extinguisher
- Firestop: Barrier, Damper & Door
- Footwear
- Lockout/Tagout
- Machine Guarding
- Noise Survey



Screen shot of Grainger's Safety Services page available on Grainger.com

Webinars: FREE access to On the Job Webinar Series, which provides current industry information and helpful updates on the latest trends affecting your business or organization. Industry experts and knowledgeable Grainger staff work together on relevant solutions for key business issues you face daily. Register, attend Webinars or even view past Webinars all from the convenience of your computer.

On the Job Webinar Series




FREE **On the Job Webinar Series** at Grainger.com provides current industry information and helpful updates. Stay on top of the latest trends affecting your business or organization. Industry experts and knowledgeable Grainger staff work together on relevant solutions for key business issues you face daily including:

- Safety
- OSHA Regulations
- Productivity
- Procurement & Inventory Management
- Green Solutions
- Emergency Preparedness

At **On the Job**, you'll be able to:

- Register and attend FREE online Webinars, all at the convenience from your desk.
- View past webinar recordings—all available online.

b. Safety Field Specialist

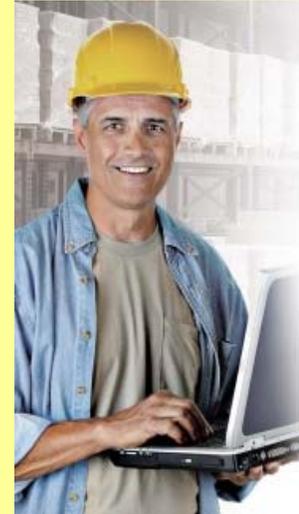
Grainger’s Field Safety Specialists bring education, experience and expertise to help customers address a wide range of safety and health questions and issues assisting with injury reduction, compliance improvement, risk assessment, and productivity improvements. Our people deliver support and expertise to you and your field locations, working with you to understand your goals and align best-in-class solutions that fit your needs. We have the depth and structure to help deploy, support and track your enterprise-wide initiatives.

Our teams’ Primary accreditations conferred by the Board of Certified Safety Professionals include:

- Certified Safety Professional (CSP)
- Associate Safety Professional (ASP)
- Safety Trained Supervisor (STS)

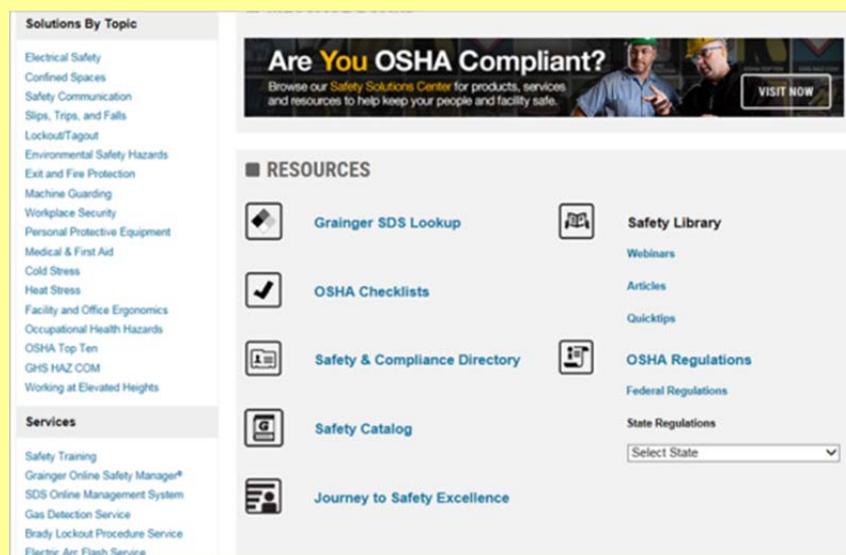
Secondary affiliations and designations include:

- Qualified Safety Sales Professional Certification (QSSP, conferred by the International Safety Equipment Association (ISEA))
- Hazard Analysis & Critical Control Points (HACCP, Food Safety Certification)
- OSHA-30 hour and OSHA-10 hour
- OSHA 500 and 501 (General Industry and Construction Industry Trainers)
- Numerous Supplier and Manufacturer Training



c. Safety Online Solution Center

Organizations have told us they think about and manage their safety programs in two main categories, how they keep their people safe and healthy, and how they operate safer facilities. We’ve organized the Grainger safety solutions based on these two themes. Grainger developed our Safety Solution Center for invaluable online resources which are available to our customers 24/7.



Screen shot of the Grainger Solution Center located on Grainger.com

Grainger compiled an online safety center brimming with information and resources that'll help you keep employees safe and your facility running smoothly. The Solution Center allows your safety specialists to stay on top of the latest safety news, trends and regulatory issues free of charge to help protect your employees and site visitors. Get access to:

- **SDS sheets:** Quickly access the most current SDS for your records to help keep employees informed and your facility in compliance.
- **OSHA checklists:** Easily identify potential hazards at work with our comprehensive list of OSHA checklists. Questions are based on applicable OSHA safety standards to determine corrective measures needed to help eliminate hazards and keep you compliant with critical workplace safety regulations.
- **Quick Tips:** Quick Tips provide free, fast and easy access to helpful workplace product, compliance and regulatory information. Resources you can use to help make informed decisions about a variety of common workplace issues. Access hundreds of articles written to help keep workers safe, your business in compliance and your facility productive

QuickTips
TECHNICAL RESOURCES

- [#109: Welding Safety](#)
- [#153: High Visibility Clothing Standards](#)
- [#190: Selecting Chemical Protective Clothing for Vapor and Splash Protection](#)
- [#212: Glove, Clothing and Material Chemical Compatibility Resources](#)
- [#240: Personal Protective Equipment Standards](#)
- [#243: PPE for Spill Cleanup](#)

A few topics from Grainger's Quick Tips

d. Safety Footwear Shoemobile

Grainger offers more than 40 years of experience in the protective toe footwear industry, with expertise consisting of members of the ASTM F13 committee that develops standards for industrial footwear. Grainger's Shoemobile fleet is unsurpassed in the industry. We operate a growing fleet of 45' tractor-trailers and 26' trucks. These Shoemobiles display and stock a variety of safety footwear options to help meet your needs.

As a leading distributor of protective toe footwear, Grainger carries more than 500 styles and has over 100,000 pairs in stock for same-day shipping. Up to 2,000 pairs of shoes can be inventoried on our large shoemobile for a visit. With over 40 brand names and comfort technologies and one of the largest selections of women's protective toe styles in the industry, we will find the right fit for your employees.



During scheduled visits, trained professionals measure your employees to help ensure a proper fit. Grainger will maintain and provide a selection of footwear styles on the Shoemobile that

comply with your safety footwear program's guidelines. Shoes are given to your employee during the shoemobile visit, as Grainger meets an average 96% fulfillment rate for Shoemobile visits. If a particular shoe is not inventoried in your employee's size, it will be mailed directly to them for no additional charge.



Grainger's Shoemobile is a convenient way for CHESSE entities employees to find safety footwear. With more than 500 styles, we will find the right shoe for each employee

Point of Sale and Benefit Management System (BMS): We are leaders in Shoemobile Automation Technology. We process transactions in seconds using computer-generated sales tickets and barcode technology, leaving more time for proper fitting and style selection. Our BMS program can help reduce your administrative time by managing subsidy eligibility, payroll deduction, style restrictions and reporting. We even offer an electronic payroll deduction file interface system.

Customized Summary Invoicing (Event or Monthly) puts all footwear program sales (Shoemobile, Safety Footwear Center, Online, On-site Store) on one invoice.

e. Eyewear Solution

Hoya's SRx Made Easy provides a simple process for customer's to purchase prescription safety eyewear through a national network of independent eye care professionals. Package pricing saves customers money on a comprehensive range of frame styles and lens treatment options. **SRx Made Easy** turns a logistical challenge into a tangible benefit for your business.

Hoya's SRx Made Easy provides a simple process for customer's to purchase prescription safety eyewear through a national network of independent eye care professionals.

- Program works for any size customer or location
- Simplified SKU Process - Only 4 Price Packages & SKU's
- Each SKU is a complete pair of glasses and includes professional optician fitting services (regular eye exam is not included)
- Access to Hoya's nationwide network of eye care provider

	
Total Eyewear Users	No minimum Request submitted on Grainger.com
Pricing Format	Package price format (Basic or Enhanced)
Ordering Process	Order taken by eye care provider
Program Management Tools	None
Program Start Up	Program administrator enters request for order form via Grainger.com
Glasses Pick Up	At Eye Care Provider

Four (4) Packages

- Basic Clear Lens Package / 29XL93 (any plastic frame)
- Enhanced Clear Lens Package / 29XL95 (any frame including metal)
- Basic Sunglasses Package / 29XL94 (any plastic frame plus transition or polarized lens)
- Enhanced Sunglasses Package / 45ET93 (any frame including metal, plus transition or polarized lens)

Both Basic and Enhanced packages include:

- Choice of either HOYA Anti-Fog Coating or new HOYA Easy Clean Coating
- Single vision, bifocal, trifocal, occupational, and progressive addition lens designs
- Polycarbonate lens material
- Solid or gradient tint
- Sideshields: integrated, detachable or permanently attached
- Eye care professional fitting services
- Prescription eyewear by HOYA frames are tested to and meet the requirements of the ANSI Z87

BASIC package includes: Plastic frame by HOYA (20+ styles to choose from, such as new high-wrap foam-lined options)



Enhanced package includes: Any frame choice from the collection, including titanium and stainless steel frame options.

Sunglasses option includes: Choice of Photochromic or Polarized lenses

HOYA has partnered with more than 2,000 independent Eye Care Professionals throughout the United States to provide accurate and timely eyewear fitting and order processing

2. Consulting Services

Grainger Consulting Services (GCS) engages with customers to evaluate their MRO Supply Chain. This evaluation employs a strategic framework of identified cost drivers to benchmark and provide ideal and cost effective solutions. This strategic framework of cost drivers focuses on:

- **Process:** Grainger helps redesign purchasing and inventory management processes to reduce complexity and cycle time while helping to improve service levels. We offer Grainger solutions that can help streamline the purchasing process and automate the inventory replenishment process to enhance productivity.
- **Inventory:** Grainger provides expertise within inventory management to help optimize inventory levels. We work with resources to understand inventory demand and supply requirements, identify obsolete stock, recommend proper on-hand inventory levels and set effective reorder points for MRO items.
- **Supplier / Product:** Grainger helps segment, classify and analyze supplier/product usage to identify opportunities for standardization, consolidation, greater leverage and incremental value. Supplier management is an area that continues to have opportunities for savings in indirect materials management.
- **Technology:** Grainger assists with developing the right strategies and implementation plan to get the most out of your electronic solution. Effectively integrating electronic solutions into the MRO procurement strategies is the key to enable long-term success and cost savings.

Grainger Consulting Services (GCS) analyzes the operations of customers who want to take costs out of running their business. Based on our findings, most customers have the opportunity to take as much as **25% or more out of their costs.**



3. Sustainable Services

Sustainable Supply Chain: Grainger's product offering includes **more than 72,000**

products that help customers maintain sustainable initiatives through efficient energy management, water conservation, waste reduction and air-quality improvement. These products are classified by maintaining one or more environmentally preferable certifications or attributes. To provide an additional measure of confidence to customers, Grainger works with outside experts to help verify the accuracy of suppliers' sustainability product data. These environmentally preferable products are clearly designated on Grainger.com[®] by a green leaf and

Using proven methodologies, Grainger's Consulting Services evaluate identified cost drivers to assist customers in reducing operational costs

totaled more than \$700 million in sales last year.



Grainger offers the following products with Third Party “Green” certified logos. The green leaf symbol in the Grainger General Catalog and online at www.grainger.com help our U.S. customers identify environmentally preferable products (EPP) that will help them meet their sustainability objectives.

In addition to our product offering, under the contract, Grainger will provide significant added value at no cost to help the State’s customers operate in a more sustainable manner:

- **Environmentally Preferable Reporting (EPP)** – Accountability and compliance can be significant barriers to implementing a sustainability initiative. Grainger has the ability to review past purchases to assist in determining what products purchased can be categorized as environmentally preferable. Using historical data, we assist you in setting and measuring progress towards EPP goals.
- **Environmentally Preferable Cross Referencing Services** – To assist in meeting EPP goals, Grainger will cross-reference historical purchases, as well as those made through other vendors, to locate more environmentally preferable product alternatives at no additional costs to the State’s customers.
- **Supplier Assessments** – Several of Grainger’s supplier partners offer more than 20 assessment services at no additional cost; from power quality audits to environmentally preferable cleaning training to waste reduction services. These services will be coordinated locally through our Sales Representatives.
- **Sustainability Consulting** – Through our own experiences with sustainability, Grainger has developed a high level of expertise in sustainable operations. Grainger’s Consulting Services division, at no cost, works with customers to identify areas of opportunity focused around four key environmental savings categories: Energy, Water, Waste and Air.

a. Environmentally Preferred Product (EPP) Services, Training and Solutions

Grainger offers the following training in collaboration with our key supplier partners:

SUPPLIER / NAME OF SERVICE	NO CHARGE	BRIEF DESCRIPTION
Cree Lighting Audit	◆	For customers considering large indoor or outdoor lighting projects, Cree offers lighting audit services. The audit consists of a site walk-thru, fixture count, energy audit, return on investment and payback analysis, utility rebate assistance, applications (photometrics) and future commissioning.
Cree / SmartCast Wireless Lighting & Controls Commissioning	◆	Cree's SmartCast PoE embeds intelligence to make buildings more efficient and people more productive, while delivering far better light for less energy than ordinary LED lighting systems. Cree will provide onsite resources to support the commissioning of SmartCast enabled fixtures to optimize energy saving benefits.
Cree / Photometric Application for Indoor & Outdoor Lighting	◆	Cree application Engineering develop a report identifying fixture locations and light levels for the specific application which is critical for outdoor lighting and large indoor applications. Provides point by point lighting calculations on the end user's CAD drawing, resulting in optimized energy savings.
Cree / Utility Rebate Assistance	◆	Cree's Rebate Team works directly with Grainger's Mid-Stream Rebate Team and sellers to identify and offer mid-stream rebate opportunities for light fixtures and retrofit kits.
Diversey / Greenguard Certification	◆	Minimize contaminants introduced to the air during cleaning and improve indoor air quality. Greenguard certification identifies the proper products, tools and processes to clean the facility. Diversey supports certification efforts via on-site setup, training and system auditing.
Diversey / Floor Care Productivity Survey	◆	Improve productivity, appearance and reduce waste in your floor care processes. Diversey provides support via a facility survey identifying potential improvements to your current floor care program. Identifies opportunities to realize potential cost savings in overall labor costs and/or chemical usage costs.
Air Handler Air / Filtration Audits	◆	Realize opportunities to reduce pressure drop and save energy. This filter audit analyzes air filtration systems and current filter list to generate recommendations that will reduce operating costs.
Georgia-Pacific / Dispenser Refurbish, Recycle, Reuse (RRR) Program	◆	Providing an end of life solution for old paper towel and toilet paper dispensers. GP team removes old dispensers and reuses components. Old dispenser components are utilized in manufacturing new products, such as computers and automobile parts. Dispensers are picked up at the end user's location.
Georgia-Pacific / LEED® Calculator & LEED® Reporting	◆	For customers interested in earning LEED® credits under the LEED® v4 Operations & Maintenance (O+M) Rating System. Georgia Pacific can generate a report for you illustrating & calculating how GP Pro products can support your efforts. Reports can be downloaded and provided to your LEED auditor.
Georgia-Pacific / Battery Recycling Program	◆	Reduce the number of batteries in landfills. Through this service boxes are provided to enable the collection of used batteries in the area of your choice. Boxes are picked up at the facility and new boxes are provided for continued collection and environmental disposition.

GOJO / Dispenser Disposal & Recovery	◆	GOJO will coordinate the removal, transport, and sustainable disposal of old hand soap and sanitizer dispenser materials when completing a GOJO managed dispenser installation project. This is a great option for large installation/conversion projects and a great way to support sustainability initiatives within your facilities.
GOJO / Pre-Installation Site Survey	◆	For large hand soap & sanitizer installation or conversion projects (> 250 dispensers), GOJO will conduct a site walk-thru with material planning and project management. This service addresses challenges related to storage space constraints and reduces materials that must be moved, stored, shipped, or disposed of.
Acuity / Lighting & Controls - Audit & Design	◆	For large lighting projects Acuity offers on-site audit of lighting & controls, recommendations, layout & design, ROI analysis, assistance with utility rebates & project management support with installer.
Zing / Lockout Audit	◆	To ensure compliance of lockout programs Zing offers a site survey conducted by a specialist to audit your current lockout program and provide recommendations.
Rubbermaid / Innovative Solutions - Mobile Showroom	◆	Discover more ways to reduce cost, improve productivity and enhance employee safety. Rubbermaid's mobile showcase vehicle provides an interactive experience and hands-on demonstrations featuring innovative solutions.
Rubbermaid / Recycling Solutions	◆	Explore solutions designed to support your recycling efforts. Rubbermaid's mobile showcase vehicle presents innovative solutions to help you achieve your recycling goals.
Rubbermaid / Waste Audits	◆	For those interested in waste-reduction or recycling initiatives Rubbermaid offers on-site audits designed to help educate users on the impact of implementing a recycling system. This service provides an evaluation of current waste stream habits and processes and diversion practices and provides recommendations and assistance in designing a recycling system.
Rubbermaid / Site Assessments & ROI Calculators	◆	Rubbermaid representatives share their expertise and recommendations through an on-site assessment with ROI calculators to support recycling, hand hygiene and many other common facility initiatives.
Rubbermaid / LEED® Certification Support	◆	For customers pursuing LEED Certification Rubbermaid offers a site visit providing guidance, product recommendation and support with LEED implementation initiatives.
Hubbell / Energy Audit	◆	Gain insight into opportunities to leverage occupancy sensor technology to reduce energy costs. Service includes a site audit, occupancy sensor layout recommendations -drawing, detailed bill of materials and a return on investment (ROI) calculator to estimate savings potential and project payback.

4. KeepStock Inventory Management

KeepStock® is Grainger’s portfolio of inventory management solutions that help businesses better understand their inventory and reduce the costs associated with managing it. This portfolio provides both customer-managed (CMI) and Grainger-managed (GMI) inventory options, including Vending. Solutions.

Inventory management is not a “one size fits all” solution. Grainger takes a **customer-centric approach**, offering solutions aligned with specific needs. That is why Grainger offers a variety of options customized to work the way you need it to. By working together, we can help identify your inventory challenges, determine where and how your inventory is used, and develop a solution that best fits your needs.

KeepStock® Onsite provides valuable inventory management services right inside your facility—helping you save time and money. You keep control of your overall inventory needs but this solution offers inventory support from a **dedicated Grainger Onsite Support Representative** who will:

- Identify Inventory Needing Replenishment
- Cross-reference Grainger items from your approved purchase requisitions and orders
- Coordinate Grainger resources to identify the best product solutions.
- Place Orders for You
- Scan managed items and place spot buy orders for you, as needed
- Handle invoice inquiries, process product returns, and expedite orders
- Source hard-to-find products
- Organize inventory and restock products in proper location
- Understand Your Inventory Needs to provide valuable inventory insight



Knowledgeable Grainger professionals will visit your branch locations to ensure your inventory is effectively managed.

KeepStock® Secure is the best answer when you need 24/7 access to products at point-of-use. This is also an ideal solution for controlled access to consumable inventory, as well as durable items that can be used and returned. This is a valuable option in order to help ensure correct item usage, and reduce over-use or shrinkage. Please visit <http://keepstocksecuredemo.com/> for a demonstration of the KeepStock program.

There are no delivery, installation, maintenance, rental or usage fees, as long as you maintain a minimum annual purchase level (“MAPL”) of Grainger goods through each individual machine.

KeepStock® Secure Solutions

Coil

- High security
- Single-item dispensing
- Low SKU count, high usage
- 60 unique item capacity
- Small to medium item storage



Carousel

- High security
- Single-item dispensing
- High SKU count
- 560 unique item capacity
- Modular design provides check-out/check-in capability



Locker

- High-Medium security
- Consumables and durables
- Single or multi-item dispensing
- Flexible volume
- Check-in/out capability



Cabinet

- Medium security
- Single door/shelf access
- Requires little to no product repackaging
- Flexible shelf configurations accommodates items of various sizes



Drawers

- Medium security
- Controllable drawer access
- Assemble tools by use for easy access
- Various drawer configurations to accommodate items of different sizes



Grainger offers a variety of KeepStock® dispensing machines. Each machine is customized and configured for your needs.

2.4.7 Order Processing/Retail

2.4.7.1 Please describe in detail how your company would be able to authorize and process in store purchases. How will your company ensure in store purchases are transacted at contracted Market Basket and Non-Market Basket pricing in all your retail store locations?

Contract Pricing

Upon award, Grainger will establish the State of Indiana’s account in our SAP Business Enterprise System which will allow Grainger to authorize and process all customer purchases, whether in-store or online. Grainger’s pricing team will assign the appropriate codes which will include pricing and freight terms, as well as all contract terms and conditions unique to your agreement.

As new Indiana State Agencies, K12 and local entities are confirmed as authorized buyers, their account number will be aligned to the Indiana contract. These terms will apply to all of the State of Indiana’s State Agencies, K12 and local entities authorized during the life of the contract within our company wide SAP Business Enterprise System. **No matter what ordering channel is used, your specific contract pricing will be available to all locations.**

Grainger will operate the State of Indiana’s pricing the same for all in store purchases in Grainger’s branch locations. Each Indiana customer is assigned an account number that includes the address and any other pertinent information and is aligned to the State of Indiana contract which in turn leads to proper pricing and delivery. All Grainger branches and any online purchases operate on the same SAP platform. This ensures that all State of Indiana

locations receive the same price for a specific (Market Basket/ Non-Market Basket) item.

Store/Branch Ordering Process

The following outlines our store/branch ordering process:

1. In-store/branch, phone or online order
2. Indiana State Agency or affiliated K12/Local customer identified via the State of Indiana account number
3. Product selected by customer or identified at the will call counter in the branch
4. Items scanned and appropriate contract price automatically applied via State of Indiana account number and tracking code within Grainger’s SAP ordering system
5. Payment form provided
6. Receipt issued to customer
7. Transaction closed and information processed for billing within the system

Grainger will only provide product and contract pricing to Indiana State Agencies and affiliated K12/Local entities that qualify under this agreement and have been authorized by their account number to procure or pick up product from our local branch locations.

2.4.7.2 Please list your company's Indiana retail locations and how these stores operate within your company structure. Please identify whether the stores are franchised or separately owned and if so, how pricing, ordering, and reporting issues will be managed.

Grainger has been doing business in the State of Indiana since 1944 and currently has five Grainger-owned branch (store) locations throughout the state. At our five branches in Indiana, 154 employees provide world-class service and support to Indiana customers. Each branch is managed by a Branch Manager who is responsible to ensure a high level of customer support for branch services and to maintain an accurate inventory

Grainger Branch and Distribution Support to the State of Indiana



Grainger Branches

- Evansville Branch - 837 N. Congress Ave.
- Gary Branch - 1701 Cline Ave
- Indianapolis Branch - 1819 W. 16TH St.
- Indianapolis Branch - 9210 Corporation Dr.
- South Bend Branch - 1750 Commerce Dr.

Distribution Centers

- Minooka, IL
- Macedonia, OH
- Louisville, KY

Grainger’s distribution network supporting Indiana includes five (5) branch locations and two (2) distribution centers and a third currently under construction, can provide standard next day service to ALL locations in the state of Indiana. Same day service can also be provided for emergency orders.

Each Indiana branch on average is about 23,000 square feet and carries an inventory value of \$1M with approximately 35,000 SKUs. **Inventory will be optimized at each Indian branch based on the State of Indiana’s customer preferences and actual product demand.**

These locations are part of Grainger’s branch network and work in conjunction with our overall U.S. distribution network. Grainger’s North America distribution network maintains over \$1.25 billion of inventory. Grainger uses an electronic communications network that links together branches and distribution centers across the country. This results in almost instantaneous transmittal of product inventory and shipment information. When a Grainger Customer Service Associate (CSA) receives a customer inquiry, the CSA has access to the national inventory records for the product at each branch and distribution center across the nation. This total asset visibility permits the representative to draw material from across the Grainger system to immediately satisfy the material needs of the customer.

This distribution network makes Grainger uniquely qualified to position inventory anywhere in Indiana, based on the needs of the state.

2.4.7.3 Will your company extend any sale price in store that is lower than the set price of a Market Basket item?

Grainger will extend any sales promotional price to any Market Basket and Non-Market Basket products that may be currently below our contracted price. Grainger manages all promotional pricing within our SAP system to ensure consistency across all State of Indiana contract customers.

2.4.7.4 Please describe your company’s internal training and communication plan or methodology to ensure retail staff understand the State’s contract and properly handle purchases.

Grainger has developed a team of Contract Enablement Managers (CEMs) to facilitate contract Implementations. The goal of this team is to enable the changes needed, in both organizations, to meet the goals and objectives of the contract with complex customers that have multiple facilities. This includes educating our team members on the necessary contract requirements for the State of Indiana. This team, along with the assigned Government Account Managers will develop scalable and repeatable processes that can be used statewide to provide consistent, contract specific, world-class customer service.

To ensure Grainger retail-branch staff understand the State’s contract and how to handle Indiana customer purchases, Grainger will do the following:

- A national kick off call will be held by the CEM to develop and present the sales force training plan.
- Grainger’s Indiana sales force will be trained through scheduled local webinar sessions where all aspects of the new State of Indiana Master Agreement will be reviewed.
- Training will be rolled out, to all remaining Grainger customer-facing employees and phone associates. Our eCommerce customer service representatives will also go through

the training to ensure consistency of experience in delivering the e-Commerce solutions. Other teams that will be trained include: Customer Service (Call Centers and Branches), Inventory Management, Subcontractors, and others necessary for a seamless contract launch.

- As new Indiana team employees are hired, they will go through training to ensure they understand all aspects of the State's contract.
- Once implementation training is completed, regularly scheduled team status meetings will be held by Mr. Zinn, the Sr. Government Sales Manager with the highest accountability for a high level of customer support to Indiana customers, on an ongoing basis throughout the life of the contract. Team status meetings ensure a high level of communication in support of the State of Indiana Master Agreement.

2.4.7.5 What is your company's process for Special Order Items?

Grainger Product Sourcing Team

Grainger's sourcing team is a dedicated team who procures those MRO Materials and special order items not found in the Grainger General Catalog. Grainger's sourcing team leverages Grainger's buying power for miscellaneous related products and provides customers with a total cost solution for acquiring infrequently ordered items. Through this channel, Grainger provides quick access to over 6,500 suppliers and **more than 5M products beyond** the Grainger catalog offering. Additionally, this channel provides access to line extensions (non-Grainger General Catalog product from Grainger General Catalog suppliers) and some discontinued product catalog lines.

Product Sourcing Order Process:

1. Customer identifies product need
2. Customer contacts Grainger aligned Government Account Manager or Customer Service Associate
3. Item identified as a non-standard Grainger catalog product
4. Sourcing request is built and sent to the Grainger Product Sourcing team
5. Grainger Product Sourcing team identifies a source of supply for the item and builds a pricing quote
6. The quote is sent to the aligned Government Account Manager or Customer Service Associate
7. The Government Account Manager or Customer Service Associates will provide the quote to the customer
8. Customer approves quote and purchases item

2.4.7.6 Which types of purchasing cards does your company currently accept (e.g. Visa, MasterCard, American Express, etc.)?

Grainger accepts the following purchasing cards for payment: Visa, MasterCard and American Express

2.4.8 Shipping and Delivery

- 2.4.8.1 Please describe in detail how your company could optimize shipping and delivery to the multiple State/Local delivery sites that would provide the maximum cost savings while meeting the delivery requirements outlined in the RFP.

Grainger will provide optimized shipping and delivery to multiple State/Local delivery sites requires four key operational capabilities:

1. **Distribution Network Capabilities**
2. **Inventory Management**
3. **Logistics Management**
4. **Vendor Managed Inventory (VMI)**

Distribution Network Capabilities

Grainger's world class distribution network begins with over 5,200 key supplier partnerships that provide Grainger access to over **1.7 million unique products across 30 broad product categories**. Grainger maintains **over \$1.25 billion in inventory** that is strategically positioned throughout our U.S. network.

Of significance to the State of Indiana, Grainger's two DCs are conveniently located on either side of the state, **making ALL Indiana locations a next day delivery point**. Grainger's Chicago DC stocks 500,000 products valued at approximately \$174 million, our Cleveland DC stocks 134,000 products valued at approximately \$45 million. Supporting these strategically located facilities is Grainger's \$1 billion DC and branch inventory network which can be leveraged at any time to meet the needs of the State of Indiana. Additionally, a new DC is currently being constructed in Louisville, Kentucky. This additional DC will provide even further supply availability to the State of Indiana.



99.6% of in-stock products ship within 24 hours from Grainger's North American network of distribution centers. Grainger's DCs operate state-of-the-art equipment to ensure customer orders are picked, packed, and shipped efficiently to provide the State of Indiana with next day service to all locations.

Inventory Management

Grainger uses SAP to manage our global supply chain and perform product forecasting. Grainger's enterprise-wide SAP system is one of the largest SAP installations in North America, based on volume. Grainger's position as one of SAP's top tier customers, qualifies Grainger for the highest level of support and priority from SAP which in turn directly benefits our customers and will benefit the State of Indiana. Our strategic partnership with SAP has enabled us to

collaboratively develop new inventory management and forecasting capabilities that then become available to Grainger before others in the marketplace. Again this advantage allows Grainger to provide superior service to our customers.

Further supplementing the distribution network and fully integrated into our SAP system is Grainger's inventory planning system. Grainger uses SAP's cutting edge Service Parts Planning (SPP) module to collect and analyze the most recent 3 years of MRO purchasing activity - that is over 200 million transactions worth of data. The robust statistical forecasting and planning tools in SPP enable Grainger to convert these purchase behaviors into an inventory investment plan that maximizes Grainger's ability to have product available just-in-time for our customers, and also allows us to deliver it more efficiently than any other MRO distributor.

Grainger's inventory management tools and techniques allow us to effectively position products at the right place and time. Stocking levels are refreshed on a monthly basis and market intelligence data is incorporated into the historical profiles to minimize lead times on orders. This superior level of service enables our customers to reduce their costs by not having to inventory product and will also allow us to achieve the goals the State of Indiana has established in the RFP.

To further provide support to the State's customers, customer-specific inventory for the State's agencies will be stored at local branches and DCs. Upon collecting procurement history from the State's agencies, customer-specific inventory can be further tailored to meet specific location preferences and actual product demand. This will allow Grainger to further provide optimized shipping and delivery and mitigate potential stock-outs.

Logistics Management

Using a dynamic order routing process, the State of Indiana's orders are routed to the closest DC. Due to our forecasting and stocking the State's inventory based on product preferences and actual product demand, the State's orders will be provided by the two primary DCs that support Indiana.

Grainger's electronic communications network links together branches and DCs across the country. This total asset visibility permits the representative to draw material from across the Grainger system to immediately satisfy the material needs of the customer. In the unusual event an ordered product is not available in the closest DC, the CSA has access to the national inventory records for the product at each branch and distribution center across the nation.

To deliver products to the customer, Grainger transports product to and from our DCs and branches through a robust transportation network of numerous carriers worldwide. Due to the high number of shipments processed on a daily basis, Grainger is one of UPS's top customers on



99.6% of in-stock products ship within 24 hours from Grainger's distribution centers and can provide next day shipping to ALL locations in Indiana.

a global basis. We also enjoy a preferred customer relationship with global provider, FedEx. While Grainger provides free shipping to all of the State's customers, due to our strong partnerships with UPS and FedEx, we have significant leverage to secure competitive rates and large capacities in emergency situations.

In addition to Grainger's Free Freight Policy to the State of Indiana, Grainger offers value added dynamic delivery options. Your Government Account Management team will work closely with the State of Indiana end users to insure all deliveries are efficiently handled to meet the demands of that location

Vendor Managed Inventory

To help the State of Indiana customers reduce cost, Grainger will partner with customers to determine the best approach for inventory management and can install KeepStock Inventory Management Solutions. KeepStock® is Grainger's portfolio of inventory management solutions that help businesses better understand their inventory and reduce the costs associated with managing it. This portfolio provides both customer-managed (CMI) and vendor-managed (VMI) inventory options, including vending

Grainger's two VMI solutions are KeepStock Onsite and KeepStock Secure.

KeepStock® Onsite provides valuable inventory management services right inside customer's facilities, helping customers save time and money. A **dedicated, non-commissioned Onsite Support Representative** will:

- Identify Inventory needing replenishment
- Coordinate Grainger resources to identify the best product solutions.
- Scan managed items and place spot buy orders for you, as needed
- Handle invoice inquiries, process product returns, and expedite orders
- Source hard-to-find products
- Organize inventory and restock products in proper location
- Understand Your Inventory Needs to provide valuable inventory insight



Knowledgeable Grainger professionals will visit your branch locations to ensure your inventory is managed effectively.

**KeepStock®
Secure**

is Grainger's vending solution and the best answer when customers need 24/7 access to products at point-of-use. This is also an ideal solution for controlled access to consumable



inventory, as well as durable items that can be used and returned. This is a valuable option in order to help ensure correct item usage, and reduce over-use or shrinkage. There are no delivery, installation, maintenance, rental or usage fees for Grainger's vending solutions

Grainger's end-to-end supply chain strategy brings together Grainger's distribution operations, dynamic inventory forecasting, logistics management and customer demand, to provide optimized shipping and delivery aimed at helping customers procure product in a just-in-time manner to reduce their operating costs.

2.4.8.2 What percentage of on-time deliveries does your company currently achieve with customers who require forty-eight (48) hour delivery? What percentage for delivery in two (2) business days, three (3) business days, and five (5) business days? Define how you measure on-time delivery.

Grainger fulfills 95% of shipments from origin locations within 2 service days from the destination point, 98% within 3 service days, and 99% within 5 service days. The State of IN is well-positioned due to the proximity to two distribution centers located near Chicago, IL and Cleveland, OH that have the ability to provide next day delivery on most orders to most destination points within the state. For recent State of IN orders, over 99% of shipments were processed and shipped same day when order was received for a stocked item by 5:00pm local time at the shipping facility on a business day.

Grainger measures on-time performance for every order based on delivery to the customer by the date promised to customers at the time of order as well as by internal service standards to ensure that we are meeting commitments and desired service levels.

2.4.8.3 What is your company's order fill rate under contracts similar to this? (An order with a 100% fill rate would have no backorders.) What performance level do you regard as "acceptable" and "excellent"? How does your company measure fill rate and are these measurements available for a customer to view on-line?

Grainger's fill rate is in range of 95-97% and is defined and measured as having quantity on hand at the saved shipping location to fulfill the quantity requested by the customer at time of order placement for planned stock items. Grainger works continually to provide industry best

availability on a broad assortment and considers fill rates in the 95-96% range to be acceptable and above 97% as excellent. For recent State of IN orders, over 98% of order items met the definition of fill rate. The fill rate measurement is not available for customers to view online.

2.4.8.4 Please explain how your company would provide proof of delivery to the State for every order upon request? (This is needed for periodic audits.)

Upon request, Grainger can supply the State of Indiana with proof of delivery information in the following ways:

Counter Orders & Will Call Orders

Grainger CSA will pull the physical signed pick ticket and fax/email a copy to the state.

Shipping Orders

- UPS delivery method : The invoice, delivery number, or order number, will align to the
- UPS tracking number issued at the time of shipment: The UPS tracking number will indicate who signed for the product and will also include the date and time of delivery.
- LTL delivery method: The Grainger delivery number is used as the Bill of Lading reference number. The delivery number can be used to track shipments and to provide signatures for proof of delivery. The proof of delivery will also include the date and time. Grainger works with Pitt Ohio as our preferred LTL carrier into Indiana. Grainger is able to access and provide all tracking information flowing through Pitt Ohio.

2.4.8.5 Please describe in detail your company’s current processes and solutions for handling backorders.

Grainger utilizes several methods to notify a customer if an item is out of stock (backordered):

- **Phone Order or Branch Counter Order:** Customers are notified at time of order placement that the product is backordered. The Grainger Customer Service Associate (CSA) will discuss whether the customer would like to wait for the item or consider an alternate item. Alternate items are then presented for consideration.
- **Online Orders / Grainger.com:** Grainger.com provides up-to-date product availability based on quantity. Customers can use the “compare alternates” feature to provide a side by side comparison of available alternates for the customer’s consideration. In all instances, the decision to accept a substitute product is solely that of the State of Indiana customer.
- **Email or Fax Order:** Grainger’s Customer Service Policy is to email and/ or call to notify the State of Indiana customer if an item is backordered or discontinued. Grainger’s system allows CSAs to search for available alternates for the customer and quickly email or fax the product specifications and item description for the alternate item to the customer for review.

A Backorder Report is generated daily at each branch and reviewed for potential stock availability. Grainger will work directly with both the manufacturer, as well as the State of Indiana in order to address the backorder to the State’s satisfaction. Grainger will work with the manufacturer to expedite the shipment to meet the required lead time.

2.4.9 Reporting

- 2.4.9.1** What are the standard reports that your company provides to your customers? Please provide a list of your company's standard reports, including examples, as an attachment to your RFP response. Please note which are available on line.

Grainger provides robust reporting for customers, some of which can be reviewed online at the convenience of the customer. Grainger is capable of offering a wide range of standard reports. Please see Grainger's currently available reports in the Confidential Proposal.

- 2.4.9.2** Please detail your company's customized and ad hoc reporting capabilities including how long the State will wait to receive new requests for information.

Grainger's provides customized and ad hoc reporting to our current Indiana customers. Grainger will work directly with the State to determine what type of customized and ad hoc reporting is required. Based on those discussions, Grainger will build the necessary reporting to support the State's needs within the following timeframe:

Type of Report	Timeframe
One time request for a standard report	2-15
One time request for a custom report	5-15
Request to add a standard report as reoccurring	2-15
Request to add a custom report as reoccurring	5-15

Times Listed are estimates only. Actual timelines and dates will be established during the initial discovery call with the State of Indiana.

**Note: All reporting can be delivered 30 days after the beginning of each month, quarter or year.*

During implementation, all reporting requirements will be discussed and mutually agreed upon to ensure a high level of customer support.

- 2.4.9.3** Does your company provide On-Line Account Management Services that enables the State Vendor Management team to monitor activity? If so, please provide a list of all functions of on-line capabilities including reporting.

Order History Report

The Order History Report is a valuable feature that provides the State of Indiana the ability to download and analyze their purchasing history, and better manage and track purchasing trends. Order History Reports provide detail descriptions of all previously purchased items over the previous 18 months and includes:

- Dates items were purchased
- Quantity
- Price paid.

With Order History Reports, you can search by:

- Item

- Order number
- Confirmation number
- PO number
- PO Release number
- Project number

When downloading order history, you may choose from multiple options, including text and XML format.

Order Tracking Report

State of Indiana customers can use Grainger.com to track the status of any pending order, regardless of ordering channel (on-line, phone, fax, e-mail). For orders placed within the past six months, Indiana customers can determine:

- Shipment verification
- Backorder status
- Partial order shipments
- Will call order pick-ups
- Order cancellations

Real Time Product Availability Reporting

Ability to view all products that are in stock at specific branches for pick up or available for immediate shipping.

Order Confirmation Reports

Provides list of all customer orders placed with Grainger including confirmation numbers, date, time and quantity ordered.

Personal Lists

Grainger.com offers State of Indiana customers the ability to create “Personal Lists” of frequently purchased items for simplicity of repeat ordering. State end users can create multiple personal lists. These may also be shared among multiple state agencies using the same Grainger-assigned account number.

Creating a personal list lets State of Indiana end users:

- Add or delete products on the list, sort or combine lists, and create new lists.
- Order directly from their list by clicking "Add to Order" next to any item
- Create lists of specific groups of products. For example, you could create lists for specific tools, fasteners or lighting supplies that you order frequently. State end users may create as many lists as needed
- Share lists with other people on the same account, so they can view and order from other customers' Personal Lists
- Shared usage of these easy-to-access lists can assist the State of Indiana in consolidating product orders, avoiding duplication and driving product standardization to reduce costs
- Use Personal Lists to keep a record of previous purchases

Custom Home Page

Grainger's Custom Home page feature would enable the State of Indiana to customize the homepage with their logo, important messaging and pertinent contract information.

eQuotes

Grainger's eQuote functionality provides the State of Indiana the ability to receive electronic quotations

directly on their Grainger.com account or on their procurement system punch-out. This feature provides the State with the ability to manage account activity on-line by:

- Reviewing product quotes faster on Grainger.com or their Procurement System
- Leveraging the Grainger.com Order Management System to electronically route quotes for internal approval
- Easily add products to an order on Grainger.com or their Procurement System
- Organizing items across multiple quotes, view all quotes and view their active quote history on-line
- Printing their quotes to comply with internal processes

2.4.9.4 Please describe your company's ability to provide periodic usage reporting, including, but not limited to, reports that include the following fields: the Purchasing Entity, Manufacturer Name, Manufacturer Code, Manufacturer SKU Number, UPC Code, UOM (Unit of Measure), Items per UOM, Product Description, List Price, Market Basket Price, Price Actually Charged, Source of Price Charged (Lower sale price, etc.), Quantity Purchased, Extended Price Charged, Payment Type (P-Card, etc.), Order Method (On-line, Phone, etc.), Average Order Size, Item Classification (Market Basket Item, Replacement Item, Full Catalog Item). Please include how long it takes your company to provide new periodic reports.

Grainger can provide periodic usage reports that contain the following fields:

- Purchasing Entity
- Manufacturer Name
- Manufacturer Code
- Manufacturer SKU Number
- UPC Code
- UOM
- Items per UOM
- Product Description
- List Price
- Market Basket Price
- Price Actually Charged
- Quantity Purchase
- Extended Price Charged
- Payment Type (P-Card, etc.)
- Order Method (On-line, Phone, etc.)
- Average Order Size
- Item Classification (Market Basket Item, Replacement Item, Full Catalog Item)

New periodic reports take 2 – 15 days to complete depending on the complexity of the report request.

2.4.9.5 Please describe your company's ability to provide periodic performance reporting, including, but not limited to, Customer Service Incidents, Customer Service Response Time, Service Quality Metrics, Defective Items, Market Basket Analysis, Discontinued Items, Discontinued Suppliers, Same day order processing performance, Out of Stock Items, Backordered Items, Proof of Delivery, On-time delivery, Returned Items and Credit Paid, Pricing Accuracy Analysis, Manufacturer

Cost Reductions, Order Accuracy, Implementation Performance Tracking. Please include how long it takes your company to provide new periodic reports.

Grainger's standard reports can provide the following information for periodic performance reporting.

Upon contract award, reporting requirements will be further discussed.

- Defective Items
- Returned Items
- Credit Paid for Returned Items
- Order Accuracy

During Implementation, the State's Contract Enablement Manager (CEM) will provide:

- Implementation Performance Tracking

During Business Reviews with Government Sales Managers, the following information can be reviewed:

- Backordered Items
- Pricing Accuracy Analysis
- Customer Service Incidents
- Customer Service Response Time
- Service Quality Metrics
- Market Basket Analysis
- Discontinued Items
- Out of Stock Items

The State's customers can check real time status of all orders online to find:
Backordered Items

New periodic reports take 2 – 15 days to complete depending on the complexity of the report request.

2.4.9.6 Please describe your company's ability to provide a quarterly report of all products sold under the contract that did not receive a Market Basket price or Non-Market Basket Discount. Example report fields should include at minimum: the Purchasing Entity, Manufacturer Name, Manufacturer Code, Manufacturer SKU Number, UPC Code, UOM (Unit of Measure), Items per UOM, Product Description, List Price, Price Actually Charged, Source of Price Charged (Lower sale price, etc.), Quantity Purchased, Extended Price Charged, Order Method (On-line, In Store, etc.), Item Classification (Market Basket Item, Replacement Item, Full Catalog Item).

Grainger can provide a report for all products sold under the contract that did not receive a Market Basket price or a Non-Market Basket (category) discount. Grainger will be extending a CRP discount off of every catalog item purchase. **All catalog items will receive a discount as a part of Grainger's offer.** Grainger can provide a report listing all non-catalog (sourced) items that are not applicable for a discounted CRP.

2.4.10 Supplier Relationships

2.4.10.1 Please describe your relationship with the suppliers whose products will be offered in the Market Basket. How will you ensure the minimal disruption to the State and other governmental bodies using the contract should you have to change suppliers and subsequently offer different products in the Market Basket? Please describe how this transition would be managed.

Included in our 5,200 key supplier partnerships are the State of Indiana market basket suppliers. These suppliers are referred to as Grainger Catalog Suppliers and they provide access to over 1.7 million unique products across 30 product categories. To become a Catalog Supplier, manufacturers must agree to the terms and conditions set forth in the Grainger Supplier Agreement Letter (SAL). This detailed agreement is used to ensure suppliers adhere to the standards we have established to support our customers' needs.

Once the SAL is complete and throughout our ongoing relationship, Grainger's Product Management team leverages our purchasing power to negotiate product costs with our extensive supplier base. We use a detailed evaluation process to measure suppliers' performance against established targets ensuring on-time shipping, lead time accuracy, and reduced cost inflation. This process is designed to deliver outstanding customer service and drive costs down for our customers.

If and when Grainger transitions market basket suppliers, the first step is to clearly communicate this to the State of Indiana and discuss the overall customer impact. Once this occurs and if the State wants to continue to offer this exact product or a functional equivalent in the market basket, we have several options to support the customer:

- Option 1:** Grainger can continue to provide the item and brand to the State of Indiana through our Sourcing Team
- Option 2:** Grainger can purchase and hold inventory to support the needs of the State of Indiana as Customer Specific Inventory
- Option 3:** The State of Indiana and Grainger discuss transitioning to a functional equivalent
- Option 4:** If a low volume item, Grainger and the State of Indiana look to replace the item with a new item to support the goals of the State's market basket selection

2.4.10.2 If a situation occurs where a supplier suddenly increases its prices to your company, how will you ensure that your company's price agreements with the State are upheld?

Grainger has processes and systems that uphold contract compliance. We will hold all product prices based on the terms and conditions of our contract with the State of Indiana. Grainger provides a price for a certain item and holds that price firm to a mutually agreed upon date regardless of supplier price increase.

It is important to note that Grainger does not automatically adjust prices based upon supplier cost increases. Grainger's pricing levels are established based on market conditions, market demand, available supply levels, customer volume commitments and cost inflation/deflation.

2.4.10.3 From time to time, an agency or governmental body has a need for a specific brand product that may not be offered in the Market Basket or the product catalog. What efforts will you make to fulfill the need and what is the expected timeline to fulfill the need? Please describe a similar experience you have had with an existing customer and the steps you took to satisfy the customer's need.

When the State, K12 or local agency has a need for a specific brand or product that is not in Grainger's Market Basket or catalog, our product sourcing team will work directly with the customer to quickly locate a source for that item. These types of sourcing transactions can typically be fulfilled within 48 hours.

Grainger's sourcing team procures those MRO Materials and supplies products not found in the Grainger General Catalog. Grainger's sourcing team leverages Grainger's buying power for

miscellaneous related products and provides customers with a total cost solution for acquiring infrequently ordered items. Through this channel, Grainger provides quick access to over 6,500 suppliers and more than five (5) million products beyond the Grainger catalog offering. Additionally, this channel provides access to line extensions (non-Grainger General Catalog product from Grainger General Catalog suppliers) and some discontinued product catalog lines.

Safety Vest Example: Grainger has countless examples of supporting state customers with products that are not in the market basket or our product catalog. One recent example is Grainger’s support of the Michigan State Police Office of Highway Safety Planning (MSP OHSP). MSP OHSP received funding approval by the National Highway Traffic Safety Administration (NHTSA) for high-visibility motorcycle safety vests. MSP OHSP came to Grainger with little more than a concept. Grainger engaged an existing supplier partner who produced a CAD drawing, a prototype sample for approval and achieved product delivery in time for spring motorcycle instruction. Grainger inventoried and shipped \$1.2M worth of safety vests to multiple locations over two years. We also simplified the procurement process for this vest with our order management system and automated reporting. Grainger exceeded MSP OHSP’s expectations from beginning to end. Our support of the initiative was recognized by the Michigan State Police as well as the Michigan Secretary of State.

Please see 2.4.10.3.T Sourced Product Terms and Conditions in the Appendix

2.4.11 Directed Sourcing

2.4.11.1 Is Respondent willing to stock and sell directed source products through this contract? Please provide a yes/no response. If no, please provide an explanation of any alternative solution your company has to offer. If so, please specify the associated mark-up charged to the State for these products.

Yes, Grainger will work with the State to develop a directed sourcing program. The mark-up for directed sourced product will be no more than twenty-eight percent (28%) of the landed cost of the product. The landed cost of the product is the total price of the sourced program product and includes all product related cost such as transportation, handling and administrative fees.

2.4.11.2 Please describe how your company would implement and manage a State directed source relationship.

Directed Sourcing items will go through our standard New Item Add process. This process will take an estimated 30 to 60 days to implement. Upon completion of the item addition process, these will be active SKUs in our system. These items will function and appear the same as any other stocked item in our system. The most significant difference is that the SKU will not be searchable on Grainger.com and ordering through Grainger.com is slightly altered.

2.4.12 Appendix

Please see the following attachments referenced in the Technical Proposal located in the Confidential Proposal per the Transmittal Letter:

- 2.4.2.6T Sample IPH – Items Purchase History Report
- 2.4.2.6T Sample CSA – Cost Savings Analysis Report

2.4.2.6T Sample Grainger Customer Report Card
2.4.2.6T Sample PBL – Purchase by Location Report
2.4.6.1T Brenton Zinn Resume
2.4.6.1T Alicia Brown Resume
2.4.6.1T Cathy Garner Resume

Please see the following information in this Appendix:

2.4.10.3T Grainger Sourcing Terms and Conditions

State Agency to fill in:

Physical Address of Machine: _____
City: _____ State: IN Zip: _____
Phone: _____ FAX: _____
Customer Contact Name: _____
Customer Title: _____
Customer Contact Email: _____
Customer Contact Phone: _____

Grainger to fill in:

Existing Acct #'s: _____ New Customer Acct #: _____
5-Letter Store Code: _____
District Manager (who initiated site visit): _____

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Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the properly authorized representative, agent, member or officer of the Contractor, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Contract other than that which appears upon the face of this Contract.

In Witness Whereof, Contractor and the State have, through their duly authorized representatives, entered into this Sub-Agreement Scope of Work, as represented from the Master Services Agreement for QPA# 13090. The parties, having read and understood the foregoing terms of this agreement, do by their respective signatures dated below hereby agree to the requirements thereof.

Contractor:

State of Indiana Agency:

W.W. Grainger Inc.

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Indiana Department of Administration

Vendor Contract Manager

Date: _____

Exhibit G: Grainger MRO & Related Services Catalog

Grainger will support The State of Indiana in achieving additional cost savings and efficiencies over the duration of the Contract by leveraging our years of experience in saving customers time and money. Grainger’s core value proposition is centered on helping customers identify ways to “take costs out of their business,” specifically in the areas of time, space and dollar savings. Provided below is a comprehensive offering of Grainger solutions. This list is subject to periodic review. As modifications are made, a revised list of Grainger solutions will be provided for your review and contract inclusion:

Please contact your Grainger Sales Manager if you would like additional information regarding any service.

Contents:

Service Name	Value Add	Fee Based	Description
Safety Training & Assessments			
Fall Protection Assessment	•		A plant/site survey is conducted to identify potential fall protection hazards as well as suggest products or programs to minimize risk
Fall Protection Training (Basic)	•		Specific courses designed to train for safety at heights, equipment inspection, rescue planning and tower climbing
Safety Paint Assessment	•		Conducts an on-site survey to determine the condition and location of safety markings and recommend the proper safety coatings
Hand Protection & Glove Program	•		Assessment Evaluates your glove program to determine proper selection and use, and identify cost savings. Samples are provided, allowing users to ensure proper fit and application.
Ergonomic Matting Assessment	•		Evaluates your facility to recommend anti-fatigue matting to help reduce back and lower leg fatigue for employees who stand while working. Identifies the proper mat for use in areas with oils or chemicals and provides 12" samples to stand on or test against chemicals.
Slips, Trips & Falls Assessment	•		Provides a pedestrian safety site assessment that takes in customer facility observations and gives back recommended products and solutions to help your facility become safer for employees and guests
Floor Coating & Anti-Slip Assessment	•		An evaluation based on application, hazard concerns and safety color-coded paint requirements.
Climbing Pro Ladder Safety Kit	•		Includes training literature and video to help provide training on safe and proper ladder use, how to select the correct ladders for the job and ladder inspection. Includes a quiz to reinforce learning.
Flexiguard™	•		Engineered Service Custom engineered Flexiguard™ systems create unique fall protection and access solutions that meet the requirements of your specific application. Also includes on-site assembly and user training services.
Hearing Protection & Conservation Training	•		Designed to assist your business or institution in becoming compliant with OSHA standard 29 CFR 1910.95. Includes instruction on the importance of proper use of hearing protection devices.
Arc Flash Awareness Seminar	•		Designed to bring awareness to the NFPA 70E standard. Additional topics reviewed are methods of assessment, PPE equipment, proper electrical tools, test instruments and labeling of hazards.

Fall Protection — From Heights		<ul style="list-style-type: none"> ● Fall Protection Training (Competent Person) Covers the OSHA Fall Protection standards 29 CFR 1910 Subpart D and 29 CFR 1926 Subpart M for both General Industry and Construction. Special attention will be given to personal fall arrest systems. Participants evaluate hazards and develop practical resolutions within the general industry and construction environments. This training will give participants the skills necessary to fulfill the role of “competent person” as defined by OSHA for their company.
		<ul style="list-style-type: none"> ● Flexi-guard™ Engineered Service Custom engineered Flexi-guard™ systems create unique fall protection and access solutions that meet the requirements of your specific application. Also includes on-site assembly and user training services.
Hazard Communication Ghs		<ul style="list-style-type: none"> ● Haz-Comm/GHS Production Workshop This workshop combines regulatory training and Globally Harmonized System (GHS) label creation to help your business or institution meet OSHA GHS implementation requirements and sustain in-house compliance.
		<ul style="list-style-type: none"> ● Hazardous Communication Training Focusing on the specific requirements of OSHA 29 CFR 1910.1200 Subpart Z, this course offers an overview of hazard communication standards, requirements and responsibilities; training requirements; how to make a hazard determination; hazard chemical characteristics; container labeling and other hazard warnings; safety data sheets; employee training requirements; hazard prevention; minimization; preparedness; and exposure monitoring plans.
Ergonomics		<ul style="list-style-type: none"> ● Ergonomic Assessment* A comprehensive on-site ergonomic job assessment which reviews potential hazardous areas. Assessment includes a review of any job hazard analysis (JHAs) for the jobs, a review of employees performing jobs at workstations, measurements of workstations and tasks, and an outline of all findings and recommendations with an action list for each job reviewed.
Fall Prevention from slips & trips		<ul style="list-style-type: none"> ● Floor Coating Installation Service Includes an on-site professional survey, quote and installation of Rust-Oleum® floor coatings.
Hearing Protection		<ul style="list-style-type: none"> ● Audiometric Testing On-site audiometric testing employs state-of-the-art technology in a clean, comfortable setting. Designed to help you comply with OSHA’s Hearing Conservation standard 29 CFR 1910.95.
Electrical Safety		<ul style="list-style-type: none"> ● Arc Flash Hazard Assessment Designed to assist your facility in complying with the NFPA 70E standard. Includes identification, data collection, analysis and labeling of all electrical arc flash hazards in your facilities. Includes regulatory compliance training of qualified persons in safe workplace practices.
		<ul style="list-style-type: none"> ● Arc Flash Training Safety seminar for anyone working on or near electricity. Topics include flash protection boundaries, PPE, hazard/risk category classifications, shock/electrocution, arc flash calculations, related regulations, and safe work practices and procedures. This training is required for electrical maintenance personnel, operators, troubleshooters, electricians, linemen, engineers, supervisors, site safety personnel or anyone exposed to energized equipment of 50 volts or more.

Safety Resources

Grainger Online SafetyManager®		<p>This online solution gives you instant access to a set of comprehensive safety management tools and resources. Save time, money and create a safer workplace! Reduce injuries, accidents and exposure to fines Manage compliance, documents and SDSs from your PC Share assign and track training and documentation Ensure compliance and drive standardization Support your transition to GHS (Globally Harmonized System) Grainger Online SafetyManager includes a set of comprehensive safety management tools and resources for one administrator (plus document sharing and tracking of training for of up to 250 employees, with more Employee Seats available as a cost option). Online training courses covering more than 100 different safety topics are also available for purchase via “tokens.” One token is required per participant, per training course. Or, an Unlimited Training Option, a 12-month subscription allowing unlimited individual access to all online training courses, is available.</p>
Field Safety Specialist	<ul style="list-style-type: none"> ● 	<p>Grainger’s safety professionals bring education, experience and expertise to help you address a wide range of questions and issues, save time and improve your safety program</p>
Safety Online Solution Center <i>Quick Tips</i> <i>Industry Articles</i> <i>SDS Sheets</i> <i>OSHA Checklists</i> <i>Safety Webinars</i> <i>Safety and Compliance Directory</i>	<ul style="list-style-type: none"> ● ● ● ● ● ● 	<p>invaluable online resources which are available to our customers 24/7</p> <p>https://www.grainger.com/content/safety-solution</p>
Shoemobile Safety Footwear is purchased through this value added service. Restrictions do apply	<ul style="list-style-type: none"> ● 	<p>Grainger offers more than 40 years of experience in the protective toe footwear industry, with expertise consisting of members of the ASTM F13 committee that develops standards for industrial footwear. Grainger’s Shoemobile fleet is unsurpassed in the industry. We operate a growing fleet of 45' tractor-trailers and 26' trucks. These Shoemobiles display and stock a variety of safety footwear options to help meet your needs.</p> <p>As a leading distributor of protective toe footwear, Grainger carries more than 500 styles and has over 100,000 pairs in stock for same-day shipping. Up to 2,000 pairs of shoes can be inventoried on our large shoemobile for a visit. With over 40 brand names and comfort technologies and one of the largest selections of women’s protective toe styles in the industry, we will find the right fit for your employees.</p> <p>During scheduled visits, trained professionals measure your employees to help ensure a proper fit. Grainger will maintain and provide a selection of footwear styles on the Shoemobile that comply with your safety footwear program’s guidelines. Shoes are given to your employee during the shoemobile visit, as Grainger meets an average 96% fulfillment rate for Shoemobile visits. If a particular shoe is not inventoried in your employee’s size, it will be mailed directly to them for no additional charge.</p>
Eyewear Solutions	<ul style="list-style-type: none"> ● 	<p>A simple process for customer’s to purchase prescription safety eyewear through a national network of independent eye care professionals.</p>
Energy Services		<p>The Grainger Energy Services team serves as your resource to help identify and implement a wide range of efficient solutions for your</p>

		agency through its network of qualified, insured and licensed service providers. Working closely with you, our service providers can help identify and facilitate the installation of energy-saving and water conservation measures with minimal disruption to your agency. Our service can help Members secure applicable incentives and rebates for energy and water-saving projects.
Lighting Projects	•	Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit lighting projects
HVAC Projects	•	Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit HVAC projects.
Motor and Pump Projects	•	– Auditing, specifying, supplying, installing and commissioning/verifying energy-efficient retrofit motor and pump projects.
Compressed Air System Studies and Upgrade Projects	•	Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient compressed air retrofit projects.
Dust Collection System Studies and Upgrade Projects	•	Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient dust collection system projects.
Steam Trap System Studies and Upgrade Projects	•	Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient steam trap retrofit projects
Water Conservation Upgrade Projects	•	Auditing, specifying, optimizing, supplying, installing and commissioning/verifying energy-efficient plumbing solutions
Recycling Services	•	Grainger’s recycling service solves the disposal problem for environmentally hazardous bulbs, dry batteries, and ballasts.
KeepStock Inventory Management Services	•	KeepStock® is Grainger’s portfolio of inventory management solutions that help businesses better understand their inventory and reduce the costs associated with managing it. This portfolio provides both customer-managed (CMI) and Grainger-managed (GMI) inventory options, including Vending
Customer Managed Inventory(CMI)	•	
Onsite	•	
Secure Vending	•	
Managed MRO Services	•	Grainger’s Managed MRO Solution provides customers with daily, onsite, expert support services to help maximize the value of their entire MRO inventory investment. Managed MRO is a fee-based service where our Inventory Specialists work at your facility to manage all of your indirect materials—both Grainger and non-Grainger product
<i>KeepStock Organize</i>	•	This service is a comprehensive offering focused on inventory organization that includes storeroom layout, organization, fixture construction, and content development for existing and new tool cribs. KeepStock® Organize consists of three (3) fee-based parts or phases which can be deployed together or independently.
<i>KeepStock Layout</i>	•	Comprehensive inventory management planning, virtual layout configuration, and project planning. (There is a flat fee for this service. The fee is waived if racking and shelving is purchased from Grainger).
<i>KeepStock Cleanup</i>	•	Execution of the project plan including labor for teardown of current storage fixtures, repositioning of retained fixtures, build of new fixtures, product movement and product positioning. (Quotes for this service depend on the KeepStock® Layout assessment.)
<i>KeepStock Content</i>	•	Capture current inventory items, their attribute elements, providing the ability to upload the data into a computerized materials management system. This may also include ongoing item database management. (Quotes for this service are dependent on a defined scope-of-work.)

Consulting Services	•	Grainger Consulting Services (GCS) engages with customers to evaluate their MRO Supply Chain. This evaluation employs a strategic framework of identified cost drivers to benchmark and provide ideal and cost effective solutions. Based on our findings, most customers have the opportunity to take as much as 25% or more out of their costs.
Technical Support	•	Grainger provides direct technical support from knowledgeable field personnel and manufacturers' field representatives
Technical Training	•	Grainger will work with our customers to identify products and product categories for which they would like additional training. Grainger will work with our General Catalog manufacturers and suppliers to develop training programs as required to meet your needs
Environmentally Preferred Product (EPP) Services, Training and Solutions		
Cree Lighting Audit	•	For customers considering large indoor or outdoor lighting projects, Cree offers lighting audit services. The audit consists of a site walk-thru, fixture count, energy audit, return on investment and payback analysis, utility rebate assistance, applications (photometrics) and future commissioning.
Cree SmartCast Wireless Lighting & Controls Commissioning	•	Cree's SmartCast PoE embeds intelligence to make buildings more efficient and people more productive, while delivering far better light for less energy than ordinary LED lighting systems. Cree will provide onsite resources to support the commissioning of SmartCast enabled fixtures to optimize energy saving benefits.
Cree Photometric Application for Indoor & Outdoor Lighting	•	Cree application Engineering develop a report identifying fixture locations and light levels for the specific application which is critical for outdoor lighting and large indoor applications. Provides point by point lighting calculations on the end user's CAD drawing, resulting in optimized energy savings.
Cree Utility Rebate Assistance	•	Cree's Rebate Team works directly with Grainger's Mid-Stream Rebate Team and sellers to identify and offer mid-stream rebate opportunities for light fixtures and retrofit kits.
Diversey Greenguard Certification	•	Minimize contaminants introduced to the air during cleaning and improve indoor air quality. Greenguard certification identifies the proper products, tools and processes to clean the facility. Diversey supports certification efforts via on-site setup, training and system auditing.
Diversey Floor Care Productivity Survey	•	Improve productivity, appearance and reduce waste in your floor care processes. Diversey provides support via a facility survey identifying potential improvements to your current floor care program. Identifies opportunities to realize potential cost savings in overall labor costs and/or chemical usage costs.
Air Handler Air Filtration Audits	•	Realize opportunities to reduce pressure drop and save energy. This filter audit analyzes air filtration systems and current filter list to
Georgia-Pacific LEED® Calculator & LEED® Reporting	•	For customers interested in earning LEED® credits under the LEED® v4 Operations & Maintenance (O+M) Rating System. Georgia Pacific can generate a report for you illustrating & calculating how GP Pro products can support your efforts. Reports can be downloaded and provided to your LEED auditor.
Georgia-Pacific Battery Recycling Program	•	Reduce the number of batteries in landfills. Through this service boxes are provided to enable the collection of used batteries in the area of your choice. Boxes are picked up at the facility and new boxes are provided for continued collection and environmental disposition.
		For large hand soap & sanitizer installation or conversion projects (>

GOJO Pre-Installation Site Survey	•	250 dispensers), GOJO will conduct a site walk-thru with material planning and project management. This service addresses challenges related to storage space constraints and reduces materials
Acuity Lighting & Controls - Audit & Design	•	For large lighting projects Acuity offers on-site audit of lighting & controls, recommendations, layout & design, ROI analysis, assistance with utility rebates & project management support with installer.
Zing Lockout Audit	•	To ensure compliance of lockout programs Zing offers a site survey conducted by a specialist to audit your current lockout program and provide recommendations.
Rubbermaid Innovative Solutions - Mobile Showroom	•	Discover more ways to reduce cost, improve productivity and enhance employee safety. Rubbermaid's mobile showcase vehicle provides an interactive experience and hands-on demonstrations featuring innovative solutions.
Rubbermaid Recycling Solutions	•	Explore solutions designed to support your recycling efforts. Rubbermaid's mobile showcase vehicle presents innovative solutions to help you achieve your recycling goals.
Rubbermaid Waste Audits	•	For those interested in waste-reduction or recycling initiatives Rubbermaid offers on-site audits designed to help educate users on the impact of implementing a recycling system. This service provides an evaluation of current waste stream habits and processes and diversion practices and provides recommendations and assistance in designing a recycling system.
Rubbermaid Site Assessments & ROI Calculators	•	Rubbermaid representatives share their expertise and recommendations through an on-site assessment with ROI calculators to support recycling, hand hygiene and many other common facility initiatives.
Rubbermaid LEED® Certification Support	•	For customers pursuing LEED Certification Rubbermaid offers a site visit providing guidance, product recommendation and support with LEED implementation initiatives.
Hubbell Energy Audit	•	Gain insight into opportunities to leverage occupancy sensor technology to reduce energy costs. Service includes a site audit, occupancy sensor layout recommendations -drawing, detailed bill of materials and a return on investment (ROI) calculator to estimate savings potential and project payback.
Cree SmartCast Wireless Lighting & Controls Commissioning	•	Cree's SmartCast PoE embeds intelligence to make buildings more efficient and people more productive, while delivering far better light for less energy than ordinary LED lighting systems. Cree will provide onsite resources to support the commissioning of SmartCast enabled fixtures to optimize energy saving benefits.
Cree Engineering Site Audit for Lighting & Controls	•	For large sophisticated lighting and controls projects Cree offers an on-site walk-thru conducted by a Cree Engineer who will perform audit on applications and other services. Cree does the complete upfront engineering of the project, maximizing lighting performance, reducing maintenance and optimizing energy savings.
Cree SmartCast PoE Energy Advisor	•	The Cree SmartCast Advisor™ is a powerful suite of applications that offers immediate and actionable business insights. It intelligently monitors your building with the SmartCast® PoE lighting network and provides tips on making your business more profitable with recommendations for energy efficiency, putting your spaces to better use, and much more. SmartCast Advisor™ is available for a monthly fee.
Cree Turnkey Project Management		For customers seeking specialized expertise and support on large lighting & control opportunities - Cree offers a fee-based Turnkey

		<ul style="list-style-type: none"> • Project Management service to manage lighting projects from engineering to installation to commissioning. Every aspect of the project is billed on one invoice.
Georgia-Pacific Harmon Recycling Program		<ul style="list-style-type: none"> • GP Harmon's Retail & Distribution Solutions recycling program diverts paper, plastic and metal from landfills in order to avoid waste and minimize the environmental impact of your business. Our recycling program is unique and custom-designed to help meet, and even exceed, your sustainability goals.
Georgia-Pacific Packaging System Optimization		<ul style="list-style-type: none"> • Collaborate with a team of engineers and packaging scientists to develop innovative packaging solutions that improve functionality and reduce waste.
GOJO Dispenser Disposal & Recovery		<ul style="list-style-type: none"> • GOJO will coordinate the removal, transport, and sustainable disposal of old hand soap and sanitizer dispenser materials when completing a GOJO managed dispenser installation project. This is a great option for large installation/conversion projects and a great way to support sustainability initiatives within your facilities.
Henkel-LOCTITE Air Leak Survey		<ul style="list-style-type: none"> • The sooner any loss of air, steam or other pressurized gases is detected in equipment, the faster it can be returned to optimal efficiency. To reduce consumption and costs this service includes a site survey, documented findings, cost savings analysis and training.
Henkel-LOCTITE Terracycle Program		<ul style="list-style-type: none"> • For customers utilizing LOCTITE Anerobics or Light Cure Technologies Henkel has a solution to help you meet recycling goals and recycle items that were previously non-recyclable. Through an innovative partnership with TerraCycle® boxes are provided to enable convenient return shipping.

Electronic Approval History

	User ID	Approver Name	Datetime	Description
1	M292915	Kent,Matthew	02/15/2019 1:26:12PM	Agency Fiscal Approval
2	M240207	Lawson,Megan Kathleen	02/18/2019 3:14:55PM	IDOA Procurement Approval
3	T278748	Glickman,Tammera	02/20/2019 3:58:34PM	IDOA Procurement Approval
4	M338303	Wolf,Matthew	02/22/2019 12:58:50PM	SBA Approval
5	O277119	Egunyomi,Olusola	02/25/2019 8:21:55PM	SBA Approval
6	M338811	Skarbeck,Molly H	02/26/2019 9:29:11AM	Attorney General Approval
7	K001856	McDowell,Kevin C	02/26/2019 10:51:33AM	Attorney General Approval